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GENERAL AND COMPLETE DISARMAMENT

Objective information on military matters

Report of the Secretary-General

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* A/45/150 and Corr.1.

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I. INTRODUCTION

1. On 15 December 1989, the General Assembly adopted resolution 44/116 E entitled "Objective information on military matters", the operative part of which reads as follows:

> "The General Assembly,
>
> "...
>
> "1. Takes note of the report of the Secretary-General on this subject to the third special session of the General Assembly devoted to disarmament;
>
> "2. Reaffirms its firm conviction that a better flow of objective information on military capabilities would help to relieve international tension and contribute to the building of confidence among States on a global, regional and subregional level and to the conclusion of concrete disarmament agreements;
>
> "3. Recommends that those States and global, regional and subregional organizations which have already expressed support for the principle of practical and concrete confidence-building measures of a military nature on a global, regional or subregional level should intensify their efforts with a view to adopting such measures;
>
> "4. Recommends also that all States, in particular nuclear-weapon States and other militarily significant States, should implement the international system for the standardized reporting of military expenditure, with the aim of achieving a realistic comparison of military budgets, facilitating the availability of objective information on, as well as objective assessment of, military capabilities and contributing to the process of disarmament;
>
> "5. Invites all Member States to communicate to the Secretary-General before 30 April 1990 measures they have adopted towards these ends, for submission to the General Assembly at its forty-fifth session;
>
> "6. Requests the Disarmament Commission to include in the agenda of its 1990 session an item entitled 'Objective information on military matters';
>
> "7. Decides to include in the provisional agenda of its forty-fifth session the item entitled 'Objective information on military matters'."

2. Pursuant to paragraph 5 of the resolution, the Secretary-General, in a note verbale dated 16 February 1990, requested all Member States to communicate to him information regarding measures that they have adopted towards the ends referred to in paragraphs 3 and 4. To date, the Secretary-General has received replies from Austria, Bulgaria, the Byelorussian Soviet Socialist Republic, Canada, Czechoslovakia, Finland, the German Democratic Republic, Sweden, the Ukrainian Soviet Socialist Republic and the United Kingdom of Great Britain and Northern Ireland. The replies are reproduced in section II of the present report. Other replies received will be issued as addenda to the present report.

II. INFORMATION RECEIVED FROM GOVERNMENTS

AUSTRIA

[Original: English]

[30 May 1990]

1. General Assembly resolution 43/75 G of 7 December 1988 mentioned further consolidation of the emerging trend towards greater openness in military matters as an aim to be pursued and proposed this topic for consideration by the Disarmament Commission at its 1990 session. Responding positively to this assessment and accepting United Nations suggestions for an international system of standardization, the Austrian Government has, during the past three years, made available all information on military capabilities which could, in its view, provide objective criteria for an assessment of relative military strength and relevant concepts for the employment of national military forces. In particular, the Ministry of Defense of Austria regularly submits all necessary data requested by the United Nations in the framework of Assembly resolution 40/91 B of 12 December 1985 and will continue regular presentation of such data to support practical and concrete confidence-building.

2. Furthermore, the Austrian Government has supported and continues to support all relevant measures of the Conference on Security and Co-operation in Europe and the related negotiations of confidence- and security-building measures, in which extensive discussions on the reporting of military expenditure have been carried out during the Seminar on Military Doctrines in January/February 1990. In the course of these discussions, suggestions for a general adherence of CSCE member countries to the United Nations instrument for standardized international reporting of military expenditures were made and have led to a proposal submitted by a group of delegations to include provisions for the exchange of information on military budgets and expenditures into a series of measures aiming at an enhancement of confidence- and security-building measures in Europe.

3. The Austrian delegation has expressed its agreement with such a measure for a number of reasons, last but not least because this would support the provisions of the Final Document of the Tenth Special Session of the General Assembly (resolution S-10/2 of 30 June 1978).

4. Bearing in mind paragraph 105 of the Final Document, in which the Assembly encouraged Member States to ensure a better flow of information with regard to the various aspects of disarmament to avoid dissemination of false and tendentious information concerning armaments and to concentrate on the danger of escalation of the arms race and on the need for general and complete disarmament under effective international control, Austria was one of the co-sponsors of General Assembly resolution 44/116 E of 15 December 1989. Therefore, Austria highly appreciates the inclusion of the item entitled "Objective information on military matters" in the agenda of the Disarmament Commission and welcomes the deliberations that took place at the Commission's 1990 substantive session.

BULGARIA

[Original: Russian]

[14 May 1990]

1. Bulgaria welcomes the recent conclusion of agreements in the field of arms limitation and disarmament which, by virtue of their innovative monitoring mechanisms, lay a firm foundation for the attainment of new and even higher standards of openness in relations between States. Grounds for optimism are afforded by the growing number of specific proposals and practical measures proposed in recent months by States with differing political philosophies and from different regions aimed at increasing transparency in the military sphere and thus reducing the risk of an erroneous assessment of military potential and intentions. The provision on a reciprocal basis of objective information on military issues can serve as an important confidence-building measure and make a direct contribution to removing sources of suspicion. The achievement of greater openness and glasnost in the field of defence policy is capable of effectively promoting the establishment of an overall climate of trust, stability and co-operation, and would increase the predictability of States' behaviour both in Europe and throughout the world.

2. The active exchange of balanced and militarily significant objective information on all aspects without exception of the military sphere, including military expenditures, can undoubtedly make a contribution to the reduction and, ultimately, the elimination of the probability of States' actions and intentions being misinterpreted. A process of this kind would strengthen security and stability on the basis of the principle of regional sufficiency at both the regional and world-wide levels, and would be conducive to progress in disarmament negotiations.

3. Bulgaria has accepted and complied strictly with the commitments set forth in the Final Document of the Stockholm Conference on Confidence- and Security-Building Measures and Disarmament in Europe. These include prior notification of major military exercises, the invitation of observers and verification of compliance with agreements by, inter alia, on-site inspections. In keeping with its obligations, Bulgaria routinely provides at the appointed times annual calendars of military activities and ensures that all the agreed conditions exist for the conduct of inspections on its territory.

4. Within the framework of a Balkan-wide process of confidence- and security-building and the expansion of Balkan co-operation in every area, Bulgaria has already put forward a series of specific bilateral and multilateral proposals for joint regional activities to promote greater glasnost and openness in peacetime military activities and, ultimately, to stimulate efforts aimed at disarmament and the strengthening of security on a broader plane.

5. Bulgaria is taking a number of practical steps to increase openness on each and every aspect of its military potential, as called for by resolution 44/116 E, including steps to create conditions for realistic comparison of military budgets. On a regular basis, it discloses detailed information on the strength of its armed

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forces and on its weapons systems, and in implementation of its purely defensive military doctrine, it is making significant unilateral cuts in this area. In 1989, for example, the strength of the army was reduced by 10,000, and 200 tanks, 200 artillery weapons, 20 military aircraft and 5 naval vessels were taken out of service. Recently, the Ministry of Defence invited foreign military attachés in Bulgaria to watch the physical destruction of this military technology.

6. Bulgaria is participating actively and constructively in the Vienna talks on the reduction of conventional weapons and armed forces in Europe. It is sincerely striving to bring about a substantial reduction in the armed forces and conventional weapons of the participants in the talks, with a corresponding reduction in military expenditures, and believes that in the course of the talks the current asymmetries and imbalances both across Europe and, especially, in individual regions should be identified and eliminated on a reciprocal basis. It insists on the scope of the talks being gradually extended to cover the other components of States' military strength, and specifically naval and air forces, since their continued absence from the negotiating table will lead to new imbalances and asymmetries, and constitutes a cause for concern. In the final analysis, priority in Europe should be given to strengthen the consolidation of those existing military structures which are capable of serving exclusively defensive purposes and which constitute the prerequisite for successfully building tomorrow's security structures at the earliest possible date.

7. Bulgaria has completed the preparatory work on the disclosure of its military expenditures, and has submitted to the United Nations the completed forms for standardized reporting of military expenditures for the financial years 1988 and 1989. Its military expenditures for 1990 have also been disclosed, and will very shortly be submitted to the United Nations in a form corresponding to the standardized reporting requirements. Bulgaria expresses its readiness actively to promote and participate in further efforts to draw up criteria for the comparison of military budgets in accordance with the standardized international reporting system adopted within the United Nations. It welcomes the emerging prerequisites for agreement within the Disarmament Commission on principles for the reduction of military budgets. A number of areas of agreement with respect to these issues have been identified, and these should be expanded and made use of.

8. The Government of Bulgaria attaches exceptional importance to the prestige and role of the United Nations in the field of international security and disarmament, and is convinced that the Organization can make a substantial contribution to ensuring greater openness and objectivity of information in the military sphere. Bulgaria will continue to support all efforts within the framework of the United Nations and outside it aimed at finding ways and means of further strengthening the trends that have emerged to greater openness in military matters, and at halting the arms race and reducing military expenditures as a fundamental component of the disarmament process that has been initiated. It will continue in future its efforts to promote, within the limits of its abilities, constructive consideration of these issues on a global, regional and subregional basis in accordance with the balance of interests of the States concerned, and with the ultimate aim of achieving concrete disarmament agreements.

BYELORUSSIAN SOVIET SOCIALIST REPUBLIC

[Original: Russian]

[29 June 1990]

1. The Byelorussian Soviet Socialist Republic considers that openness, the elimination of excessive secrecy, and objective information about military capability are factors for strengthening general security and, in this connection, supported General Assembly resolution 44/116 E. Furthermore, the Byelorussian SSR believes that measures undertaken by States to ensure openness must gradually develop into a broad policy of openness which is global in nature and applies to the earth, sky, bodies of water and outer space. Ultimately, such measures must be part of a global system for strengthening trust and lessening the danger of war.

2. At this stage, it would be useful to reach agreement on an international basis, for example, within the Disarmament Commission on general goals, principles and instruments relating to openness.

3. In our view, the goals of a policy of openness and objective information on military matters include confidence-building among States, reducing the danger of both premeditated and unpremeditated military conflict, increasing the predictability of military activities, crisis prevention, furthering efforts aimed at arms reduction and disarmament, and promoting the establishment of purely defensive military doctrines and structures and the redeployment of the material and intellectual resources thus made available for social and economic development.

4. With regard to principles, openness must be put into practice on a reciprocal, fair and equitable basis without infringing the interests of any party. In the areas where it is applied on the basis of agreement, openness cannot be selective. Restrictions on the régime of openness must be minimal and agreed. The parties must have an equal right to access to available information. The openness of information obtained within the framework of openness must be a major principle; that is, information obtained under the régime of openness must not be restricted.

5. The volume and scope of the information provided must be in keeping with the objectives of the régime of openness. Information must be provided on a regular basis. It must be reliable and subject to verification under agreed procedures.

6. Reaching mutual agreement on the criteria governing the exchange of information must be an essential element.

7. The régime of openness must apply to the entire territory where the parties to such a régime may conduct military activities and to all corresponding installations under the military jurisdiction of States parties, regardless of where such installations are situated.

8. Measures to ensure openness must be carried out on an agreed and individual basis.

9. The régime of openness, obviously, should be established on a bilateral and regional basis with possible global elements.

10. The corresponding instruments and machinery are essential for implementing measures and a policy to achieve openness. In our view, preparations for the transition to a global policy of openness as well as the step-by-step introduction of individual elements of the policy could be carried out under an agreed multilateral system to ensure verification and openness under the auspices of the United Nations, which would formulate and establish international standards for trust and openness reinforced by an extensive monitoring infrastructure. Under such a system it would be possible to establish a mechanism for transmitting data on military matters to the United Nations.

11. Clearly, agreement on the parameters and criteria of openness must vary in terms of specific content according to each particular area and could be achieved through the United Nations.

12. During the initial stage of the development of a global policy of openness, the Department for Disarmament Affairs of the Secretariat could be used as a data bank and centre for providing services relating to openness.

13. We feel that the establishment of centres for reducing the danger of war both on a global and regional basis, where such conditions exist, would be an essential factor in strengthening openness.

CANADA

[Original: English]

[27 June 1990]

1. As a co-sponsor of resolution 44/116 E, the Government of Canada is pleased to take the opportunity presented by this resolution and the invitation of the Secretary-General to communicate measures Canada has taken to promote objective information on military matters. Canada is a strong advocate of greater openness and transparency in military matters, because this enhances the confidence which is a prerequisite to effective arms control and disarmament.

2. In order to contribute to the fulfilment of this objective, Canada has taken a number of actions, among which are the following:

(a) The Department of External Affairs publishes a periodic newsletter called The Disarmament Bulletin, which describes Canadian activities in the arms control and disarmament field at the United Nations and in other forums. The Bulletin is distributed free of charge to Canadians, as well as to interested individuals outside the country.

(b) The Canadian Government regularly convenes a Consultative Group on Disarmament and Arms Control Affairs, under the chairmanship of the Ambassador for

Disarmament, to exchange views with government officials on Canadian arms control and disarmament policy. The Consultative Group draws its membership from across the country and includes academic researchers, strategic analysts and representatives of a wide range of non-governmental organizations.

(c) In addition, the Government also funds the Canadian Institute for International Peace and Security, the objectives of which are to increase knowledge and understanding of the issues related to international peace and security from a Canadian perspective, with particular emphasis on arms control, disarmament, defence and conflict resolution.

(d) The Department of National Defence publishes an annual review of defence activities, which includes details of departmental estimates and expenditures, defence operations by maritime, mobile and air commands, as well as our forces in Europe. Defence 89 is expected to be available by June of this year. The Department of National Defence also makes available fact sheets with detailed information on the characteristics of all equipment in service with land, maritime and air forces.

(e) Both the Departments of External Affairs and National Defence make available to the public background information on policies and issues in unclassified pamphlets and in a series of broadsheets, which are periodically updated.

3. Canada strongly supports objective information on military matters, as outlined in resolution 44/116 E. However, the promotion of objective information on military matters is a long-term process, and this will require the sustained efforts of Governments and of the people they represent. The United Nations has a vital role to play in contributing to public understanding of the issues involved, and in publicizing the work that has been done.

CZECHOSLOVAKIA*

[Original: English]

[25 April 1990]

1. Internal proceedings are currently under way in the Czech and Slovak Federal Republic with a view to putting into practice a decision taken last year on publishing data on military expenditures according to the standardized reporting system of the United Nations. Efforts are made to complete the proceedings so that the data may be made available to the forty-fifth session of the General Assembly.

2. The Czech and Slovak Federal Republic is not limiting itself to preparations for the publication of data on its military expenditures. In 1989 the country's

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* See also A/45/343.

defense spending was reduced by 1 billion Czechoslovak crowns (korunas). One of the basic objectives of the efforts to cut back budget expenses in 1990 is to reduce spending on non-productive purposes; in this context, the appropriation for defense and security, which represents a key item in this sphere, has been reduced by 12.5 per cent in comparison with the amount envisaged under the original budget. This is a further step taken by the Czechoslovak Federal Government in this direction which should be followed by measures of economy connected with a substantial force reduction in the Czechoslovak Army that is expected to be undertaken, particularly in the context of the envisaged results of the Vienna Negotiations on Conventional Forces in Europe. The measures planned in this regard indicate that the trend of reducing military expenditures will be maintained, especially in connection with conversion of military production into production for civilian purposes. When publishing on a regular basis data on its military spending, along with placing emphasis on questions of transparency and verification, Czechoslovakia will become one of those countries that take steps attesting in practice the importance of objective information on military matters.

3. In global terms, objective information on military matters is of fundamental importance for maintenance of international peace and enhancement of security and co-operation. Providing such information means creating prerequisites for tangible progress in disarmament negotiations towards conclusion of concrete treaties. The orientation of the Czech and Slovak Federal Republic on peaceful economy is a part of the overall context of democratization of the country's life and its opening towards the outside world, fitting into the framework of strengthening of mutual confidence among States, especially in the European region.

FINLAND

[Original: English]

[30 April 1990]

1. Finland welcomes efforts aimed at greater openness in military matters and believes that such openness will contribute to increased confidence and security in international relations. Thus, in the view of Finland, the flow of objective information on military matters should be increased.

2. In this respect, Finland has fully supported the efforts of the United Nations by, inter alia, participating on an annual basis in the international system of standardized reporting of military expenditures. In Finland, military expenditures are published, in detailed items, as a part of the State budget. In the past few years, Finland has also published a resumé of a plan concerning future activities and expenditures in the defence sector. It includes a summary of plans of the Ministry of Defence, the Defence Forces, international peace-keeping operations and of research institutes under the Ministry of Defence. Finland considers that annual military expenditures are one of the indicators of the military potential of a State.

3. A forthcoming revision of the budgetary system in Finland will simplify the classification of military expenditures and thereby expedite their incorporation into the annual standardized reporting system of the United Nations.

GERMAN DEMOCRATIC REPUBLIC

[Original: English]

[3 July 1990]

1. As a co-sponsor of General Assembly resolution 44/116 E, the German Democratic Republic believes that objective information on military matters is an essential element conducive to international confidence-building and disarmament. This kind of information should become a matter of course in State-to-State relations. The German Democratic Republic holds that information and openness in military matters are not ends in themselves, but are rather apt to strengthen confidence, security and transparency. They facilitate disarmament measures, inclusive of the verification of relevant agreements.

2. The United Nations Organization, by virtue of its potentialities, can play a major role in promoting, on a world-wide scale, openness and information on military matters. Deliberations on "Objective information on military matters" as an item on the agenda of the Disarmament Commission should lead to the elaboration of generally valid criteria and standards for openness in military matters.

3. Laying open the military doctrines and structures of States as well as of their alliances is a substantial element of objective information, an approach which can help remove enemy stereotypes and fears and strengthen mutual confidence and security.

4. At the seminar of the CSCE participating States on military doctrines, held in Vienna early this year, the German Democratic Republic representatives provided detailed information on its military doctrine, as well as on the training concepts, the armaments, personnel structures and on the budget of the National People's Army. According to the data provided, the ground forces had 14 mechanized infantry regiments and 4 tank regiments at their disposal at the beginning of this year. Air defence forces were subdivided into 2 divisions with a total of 5 fighter wings, 27 surface-to-air missile (SAM) units on permanent stand-by and 14 such units with reduced personnel strength, as well as 7 radio-technical battalions. The Air Force was structured into independent wings and helicopter units. The Navy comprised three flotillas, among them one with small-size missile ships, one coastal defense regiment with ground-launched missiles, as well as naval aviation forces.

5. Restructuring of the National People's Army is being initiated in an effort to drastically reduce its personnel strength and to give it a strictly defensive character. As was announced, the German Democratic Republic participates as from 1990 in the standardized system of the United Nations for reporting military expenditures.

6. The German Democratic Republic advocates the establishment of an "open skies" régime. It actively participates in the drafting of an international agreement on mutual observation flights over the territories of the participating States. The early conclusion of such agreement would be a major step forward towards more transparency in military matters.

SWEDEN

[Original: English]

[11 May 1990]

1. The Swedish Government wishes to express its satisfaction that the subject of objective information on military matters has been introduced on the agenda of the Disarmament Commission. This certainly is an important step towards a meaningful dialogue in this field, which can give an impetus to further measures to enhance openness and security.

2. In earlier answers to the Secretary-General (incorporated in reports A/38/368, A/39/436, A/41/466, A/42/435 and A/44/396 and Add.1 and 2) Sweden has already communicated various views on objective information on military matters and how to facilitate its availability, measures taken by Sweden to this end included. In addition, the Swedish Government now wishes to submit the following views.

3. By adopting resolution 44/116 E, which, like resolution 43/75 G the year before, commanded an overwhelming majority, the General Assembly expressed the belief that the adoption of confidence-building measures to promote openness and transparency would contribute to the prevention of misperceptions of military capabilities and intentions.

4. The General Assembly, furthermore, therein expressed the belief that balanced and objective information on all military matters, in particular of nuclear-weapon States and other militarily significant States, would contribute to the building of confidence among States. It deserves to be highlighted that this resolution obtained favourable votes from all five nuclear-weapon States.

5. By voting for resolution 44/116 E the five nuclear-weapon States would seem to have recognized the importance of displaying openness and transparency in all areas of military activity - on land, in the air or at sea.

6. In the opinion of the Swedish Government there is a need for more openness and transparency at sea. Sweden finds the secrecy surrounding the deployment of tactical nuclear weapons at sea particularly disturbing.

7. At this year's session of the Disarmament Commission Sweden intends to contribute further views on possible disarmament measures and measures to enhance transparency in the naval domain.

8. Since last year, several important developments have taken place within the field of military information. The fundamental idea behind the "open skies" proposal is confidence-building and relieving of tensions through transparency. Sweden, together with the neutral and non-aligned countries in Europe, has welcomed this proposal and declared its wish to fully participate in the negotiations on "open skies".

9. On a regional basis the process of the Conference on Security and Co-operation in Europe (CSCE) continues to serve as a source of openness and confidence. A unique manifestation of the growing awareness of the need for openness is the seminar on military doctrines that was held in Vienna early this year within the framework of the CSCE-negotiations.

10. Negotiations on confidence- and security-building measures and on conventional forces in Europe are now well under way in Vienna. In the negotiations, proposals have been tabled to include annual exchange of military information about all types of forces.

UKRAINIAN SOVIET SOCIALIST REPUBLIC

[Original: Russian]

[28 May 1990]

1. The Ukrainian Soviet Socialist Republic attaches major importance to the role and activities of the United Nations in the field of disarmament. There is growing recognition in the world of the fact that the amassed arsenals of modern weapons no longer help strengthen security and that disarmament, which can be effectively implemented only in a climate of confidence among States, is becoming an increasingly important security factor. Confidence, together with effective monitoring and verification, clears the way for achieving large-scale weapons and troop reductions and removes the obstacles brought about by military confrontation.

2. Confidence, in turn, to a large extent is based on a corresponding level of openness, transparency and predictability in the military field and in relations among States in general. Progress towards greater glasnost and openness promotes the real strengthening of international security and facilitates negotiations on arms limitation and reduction, overall confidence-building, and the creation of conditions for productive co-operation based on peace, prosperity and the achievement of common objectives.

3. In the view of the Ukrainian SSR, it is now necessary to speed up the process of implementing confidence-building measures, particularly various aspects of openness. The Stockholm Conference on Confidence- and Security-building Measures and Disarmament in Europe was an important stage in this area. This work is continuing at the present time as well. In this connection, we should point out the useful contribution resulting from such meetings as the seminar on military doctrines attended by the 35 States participating in the Conference on Security and Co-operation in Europe (CSCE), the conference on "Open Skies", and the exchange of

views on these questions conducted during the numerous meetings of military and political leaders of various countries. The Ukrainian SSR hopes that these activities will promote real confidence-building and greater openness in military matters both in Europe and throughout the world.

4. Particular hope in this regard has been placed in the Vienna negotiations on confidence- and security-building measures. Now, especially on the threshold of a further general European summit meeting, of increasing urgency is the question of speeding up the pace of negotiations and the need for constructive efforts by all the participants in them to use the existing potential of mutual understanding in order to carry out the basic task - drawing up and implementing on a broad basis an integral and comprehensive set of confidence-building measures, including a new generation of measures for notification and surveillance of military activities, the limitation of such activities, the exchange of information, monitoring and verification, and other provisions. All this, of course, must apply to all types of military activities and all types of armed forces, including land forces, air forces, naval and military bases in the territory of third countries, as well as outer space activities.

5. Unilateral measures taken by States are also of great importance. Accordingly, the Soviet Union published data on the size and composition of its weapon arsenals and armed forces, their deployment according to region, and its defence budget and provides clear and prompt information on reductions in Soviet armed forces and their return to the Soviet Union.

6. The USSR informs the Secretary-General about the nuclear tests that it carries out. The Soviet position at the talks on the prohibition of chemical weapons, where it has called for maximum openness, is well known. Last year, the Warsaw Treaty member States submitted detailed information on their military potential and its correlation with the armed forces and weapons of the North Atlantic alliance in Europe. Such measures, particularly on the basis of reciprocity, hasten progress towards strengthening stability and security.

7. The submission of agreed information on the implementation of the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction, to which the Ukrainian SSR is a party, has made a useful contribution to the dissemination of objective military information.

8. The practice of informing the United Nations about various negotiations conducted outside the Organization's framework should also be encouraged. The establishment under the auspices of the United Nations of an international disarmament monitoring body as well as a multilateral centre for reducing the threat of nuclear war and preventing military conflict would also make a valuable contribution to the promotion of greater openness.

9. The Ukrainian SSR considers that the question of objective information on military matters should be carefully studied in the United Nations, particularly in the Disarmament Commission. At its substantive session in 1991, the Commission should give in-depth consideration to the basic aspects of this problem: goals,

criteria and mechanisms. It is important to begin concrete work on the preparation of the relevant working documents. The exchange of views that took place during the Commission's 1990 substantive session confirms the possibility and need for practical steps in this direction. The Ukrainian SSR is prepared to participate constructively in this work.

UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

[Original: English]

[28 March 1990]

1. At the First Committee of the forty-fourth session of the General Assembly, on 7 November 1989, the United Kingdom introduced a draft resolution on objective information on military matters (see A/44/785). In this resolution, like its predecessor 43/75 G of 7 December 1988, States were invited to communicate to the Secretary-General each year measures they have adopted to facilitate the availability of objective information on military matters. The resolution built upon its predecessor and asked that the Disarmament Commission include on the agenda for its 1990 session an item entitled "Objective information on military matters", expressing the hope that deliberation would take place resulting in a useful document commanding consensus on the item and thus serving as a guide for the future. The United Kingdom stated that a paper would be submitted to the Secretary-General detailing views on the ways and means of further consolidating the emerging trend towards greater openness in military matters for consideration in the Disarmament Commission.

2. There is growing acknowledgement that openness and transparency in military matters make an important contribution to the enhancement of security. To this end, the United Kingdom supports the adoption of measures which ensure that, in all regions of the world, a broad range of objective information is made readily available.

3. Since 1986, and in accordance with General Assembly resolution 40/91 B of 12 December 1985, the United Kingdom has annually responded to the exercise on the reduction of military budgets reporting of military expenditures. This gives information on military spending, broken down between the individual armed services and apportioned between support and command functions, equipment, procurement, operations and maintenance and research and development expenditure. As an example of openness in the provision of information on military expenditures, the exercise has the United Kingdom's support, as would its adoption by a larger number of member States. Accordingly, the United Kingdom's intention is to continue to provide the information requested in the resolution.

4. The British Government's provision of information extends well beyond the exercise on the reduction of military expenditures. Among the various publications produced each year by the Ministry of Defence, two are noteworthy in the context of openness in the provision of information: the Ministry of Defence chapter of the

Public Expenditure White Paper and the Statement on the Defence Estimates. The first of these, the Ministry of Defence chapter of the Public Expenditure White Paper, published every January, provides an analysis of spending by major programmes and by defence commitment, and of the allocation of manpower by function. It is a further example of the United Kingdom's continuing commitment to promoting the availability of information on military matters.

5. The Statement on the Defence Estimates is presented to Parliament annually by the Secretary of State for Defence. The basic aims of the Defence Estimates are twofold; it is in part a discussion document, explaining important aspects of British security policy, and in part a report on defence activities and achievements during the year. The important contribution that the United Kingdom continues to make to stability and security is described in full. The Statement also describes the level of resources the United Kingdom devotes to defence.

6. In parallel with the Statement, a detailed compendium of defence statistics is published; this provides an analysis of the Defence budget and its relation to defence expenditure. The United Kingdom believes that the availability of such statistics for all States would represent a concrete form of the principles of openness and transparency.

Confidence- and security-building measures

7. By adopting resolution 43/75 G, the General Assembly expressed the belief that the adoption of confidence-building measures would serve to promote openness and transparency of military capabilities and intentions. The successful conclusion in January 1989 of the Conference on Security and Co-operation in Europe (CSCE) follow-up meeting in Vienna paved the way for further negotiations in the field of confidence- and security-building measures, which are now well under way, as well as negotiations on conventional armed forces in Europe. The United Kingdom has long held the view that arms reductions are more likely to be achieved if discussed in a climate of confidence already established by agreement on reciprocal measures for greater openness.

8. At the new talks in Vienna the United Kingdom will fully support efforts to build on the package of confidence- and security-building measures concluded by the CSCE participants in Stockholm in 1986 and contained in the agreement known as the Stockholm Document. The United Kingdom notes that participating States have taken seriously their obligations under the Document since it came into effect in January 1987, and welcomes the greater degree of openness and predictability the agreement has introduced into military activities in the whole of Europe, from the Atlantic to the Urals, thereby helping to reduce tension, mistrust and the risk of military confrontation. The objective must be to improve the arrangements for notifying military exercises, in appropriate ways. The compliance and verification provisions of the Stockholm Document will also need to be strengthened. An important element of the new generation of confidence- and security-building measures should be the inclusion of a system for more data exchange about the size, type and location of each participating State's armed forces. In particular, Western participants have proposed a system of forward notification of future force

plans along the lines of the United Nations instrument of reporting of current data as provided in reports on the item entitled "Reduction of military budgets". This combination of measures should enhance security, develop co-operation in Europe and thereby contribute to international peace and security in the world as a whole.

9. The United Kingdom believes that there could be great benefit, in terms of increasing transparency, through the introduction of aerial observation measures. It therefore strongly supports the NATO initiative on "open skies", not least becasue of the opportunities for participation this should provide for those nations without their own national technical means. An "open skies" régime, in which participants would reciprocally open their airspace to allow aerial surveillance of their territory, will strengthen confidence with respect to military activities. The United Kingdom welcomes the progress made towards an "open skies" agreement at the conference at Ottawa earlier this year, and hope that such an agreement might be reached during the Budapest follow-up conference in the spring.

10. In the field of chemical weapons, the United Kingdom is also encouraging greater openness. It attaches great importance to the negotiations in the Conference on Disarmament at Geneva for a global chemical weapons convention banning chemical weapons, and plays a leading role in those talks. An important element of a chemical weapons convention must be a declaration by all signatories of their current chemical weapons stockpiles and production facilities. The United Kingdom abandoned its own chemical weapons in the late 1950s, but has made available much information about its past production, and invited observers of the Conference on Disarmament to the dismantling of the pilot chemical weapons nerve agent plant at Nancekuke, Cornwall.

11. The United Kingdom has welcomed the bilateral agreement between the United States and the Soviet Union on chemical weapons reached earlier this year; this should help build the confidence necessary for the achievement of a global convention at the negotiations in Geneva. The United Kingdom continues to play a leading role in these talks. It is conducting a programme of pioneering work on practice challenge inspections of military facilities. This programme is designed to carry forward work on the challenge inspection régime, which is crucial to verification of a chemical weapons convention and vital for confidence in the convention.

12. The United Kingdom believes that the measures outlined in this paper represent a positive contribution towards building confidence and encouraging openness and transparency in military matters. It further believes that the examples mentioned could have wider application, and it therefore encourages all countries to look closely at them with a view to their wider adoption. In particular the United Kingdom recommends careful study of its Statement of Defence Estimates as an example of how reporting of defence capabilities and expenditure could go beyond the United Nations instrument for standardized international reporting of military expenditure. Two areas which would reward careful study, the United Kingdom believes, are: (a) Defence research and development expenditure; and (b) Manpower (with civilian/service personnel breakdown). The exchange of objective information

in military matters between countries would represent a basic building-block, an essential requirement if real progress in the field of arms control and disarmament is to be effectively pursued. In time this will contribute to increased security world-wide as each Government is able to make informed assessments of the military situation in its own region.

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GENERAL ASSEMBLY
Forty-fifth session
Item 32 of the provisional agenda*
THE SITUATION IN KAMPUCHEA

SECURITY COUNCIL
Forty-fifth year

Letter dated 24 July 1990 from the Chargé d'affaires a.i. of the Permanent Mission of Indonesia to the United Nations addressed to the Secretary-General

On behalf of the Permanent Missions to the United Nations of the States members of the Association of South-East Asian Nations (ASEAN), I have the honour to transmit to you herewith the joint statement of ASEAN Foreign Ministers on the Cambodian problem, issued in Jakarta on 23 July 1990.

I should be grateful if you would have the present letter and its annex circulated as a document of the General Assembly, under item 32 of the provisional agenda, and of the Security Council.

(Signed) Nugroho WISNUMURTI
Ambassador
Chargé d'affaires
Deputy Permanent Representative

* A/45/150.

ANNEX

Joint statement of ASEAN Foreign Ministers on the Cambodian problem, issued in Jakarta on 23 July 1990

1. The ASEAN Foreign Ministers expressed their deep concern that the global trend towards peace has bypassed Cambodia, despite many attempts to forge a settlement. The Foreign Ministers expressed their regret that the parties to the conflict have failed to bring an end to the suffering of their people and destruction of their country. All parties involved have hardened their positions and retreated from previous areas of agreement. Military conflict has intensified. They believed that the time has come for all parties to the conflict to respond positively to the various peace efforts being pursued and seriously negotiate a comprehensive political settlement.

2. They reiterated their condemnation of all responsible for the policies and practices of the period 1975-1978 which led to the extermination of Cambodians on a large scale. They are firmly of the view that there should not be a return to the situation of 1975-1978. They stressed that no Cambodian group should be allowed to seize or retain power through force of arms.

3. They reiterated their conviction that the conflict can only be settled through peaceful negotiations and rejected the pursuit of military gains at the expense of the interests of the Cambodian people. The Foreign Ministers are of the view that there is a pressing need for a cease-fire as a crucial element of a comprehensive political settlement.

4. The ASEAN Foreign Ministers fully supported an enhanced role for the United Nations in Cambodia. They stressed that there are several possible avenues towards a comprehensive political settlement. There could be a United Nations interim administration for Cambodia, pending elections. There could be a Supreme National Council representing all shades of political opinion that could administer Cambodia in the interim period through existing administrative structures in conjunction with the United Nations. These avenues are acceptable if they allow the Cambodian people to make a choice through credible, free and fair elections under United Nations supervision.

5. The Foreign Ministers are convinced that the Cambodian factions should come to an urgent agreement on the creation of the Supreme National Council as a vehicle towards achieving national reconciliation and a comprehensive political solution to the Cambodian problem. They shared the view that the Supreme National Council should consist of representative individuals with authority among the Cambodian people of all shades of political opinion. They expressed the view that the representation of Cambodia at the United Nations is a delicate political question and that attempts to change the representation of Cambodia at this time, in the absence of an acceptable Supreme National Council, would set back the search for a comprehensive political solution to the Cambodian problem. They are of the collection view that the Supreme National Council should occupy the Cambodian seat at the United Nations after it is formed. The Foreign Ministers expressed the hope

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that the Supreme National Council as envisaged in this joint statement would be constituted by the time the forty-fifth session of the General Assembly is convened.

6. The Foreign Ministers are convinced that in working towards the goal of an early comprehensive political settlement to the Cambodian problem His Royal Highness Prince Norodom Sihanouk will continue to play a key role.

7. The ASEAN Foreign Ministers encouraged the five permanent members of the United Nations Security Council to continue and intensify their efforts. ASEAN will continue to co-ordinate its efforts with the five permanent members and the Secretary-General of the United Nations. They expressed the hope that the two Co-Chairmen would be able to reconvene the Paris International Conference on Cambodia as soon as feasible. The Cambodian people have waited too long for a just and durable peace settlement. They deserve it now.

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Item 35 of the provisional agenda*
THE SITUATION IN THE MIDDLE EAST

SECURITY COUNCIL
Forty-fifth year

Letter dated 25 July 1990 from the Permanent Representative of Lebanon to the United Nations addressed to the Secretary-General

On instructions from my Government, and further to our previous letters concerning Israeli practices in Lebanon, I have the honour to inform you that the Israeli occupation forces are building a road in the Kawkaba region, where United Nations troops operating in southern Lebanon are stationed. Those in command of the troops attempted to prevent the occupation forces from continuing their operations in the above-mentioned region by blocking the road with vehicles flying the United Nations flag. The Israelis forced their way through the barricade, using a bulldozer to move aside a troop-carrier belonging to the United Nations, so as to finish the road by force. A Norwegian member of the United Nations forces was injured during the incident, and the situation between those troops and the Israeli occupation forces remains tense.

The Lebanese Government strongly condemns such Israeli practices and calls on the international community as represented by the United Nations to take all necessary steps to put an end to the Israeli practices and acts of aggression, which are contrary to the instruments and principles of international law and make a mockery of the most basic human rights. This fresh act of aggression constitutes wilful provocation against the United Nations troops, as well as flagrant disregard of the will of the international community and of Lebanon's sovereignty and territorial integrity.

I should be grateful if you would have the text of this letter circulated as an official document of the General Assembly, under item 35 of the provisional agenda, and of the Security Council.

(Signed) Khalil MAKKAWI
Permanent Representative

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* A/45/150.

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Forty-fifth session
Item 70 of the provisional agenda*

STRENGTHENING OF SECURITY AND CO-OPERATION IN THE MEDITERRANEAN REGION

Letter dated 23 July 1990 from the Chargé d'affaires a.i. of the Permanent Mission of Algeria to the United Nations addressed to the Secretary-General

I have the honour to transmit herewith the text of the Declaration on the Prospects of Global Dialogue on Security and Co-operation in the Mediterranean (annex I) and the final communiqué (annex II), which were adopted at the conclusion of the Third Ministerial Conference of the Mediterranean Non-Aligned Countries, held at Algiers on 25 and 26 June 1990.

I would be grateful if you would arrange to have them circulated as official documents of the General Assembly under item 70 of the provisional agenda.

(Signed) Amar BENDJAMA
Chargé d'affaires a.i.

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* A/45/150.

ANNEX I

Declaration on the Prospects of Global Dialogue on Security and Co-operation in the Mediterranean, adopted at the Third Ministerial Conference of the Mediterranean Non-Aligned Countries, held at Algiers, on 25 and 26 June 1990

1. The Foreign Ministers of the Mediterranean Non-Aligned Countries, at their meeting on 25 and 26 June 1990 in Algiers, reiterated their deep conviction that security and co-operation in the Mediterranean and in Europe are closely linked and interdependent and they noted with satisfaction the greater awareness in Europe of the need for interdependent action in the Mediterranean region with the aim of promoting the conditions for peace, security and co-operation.

2. After a careful review of the political and economic changes in Eastern and Central Europe, which are opening new prospects in the search for a lasting peace order in Europe, they emphasized the principle that security should not be confined in Europe but rather be extended to other parts of the world, especially to the Mediterranean region. In this respect, they took note with interest of the support of Spain and Italy to the convening of a conference on security and co-operation in the Mediterranean.

3. They observed that such positive trends, reflected by the considerable progress achieved within the framework of the CSCE process, have increased substantially the possibilities of implementing the commitment made by the countries participating in the CSCE to intensify their contacts and co-operation with the non-aligned Mediterranean countries in order to strengthen security and work towards the relaxation of tensions, the settlement of crises and conflicts as well as to the development of co-operation in the Mediterranean.

4. They analysed the prospects of the establishment of a single European market in 1993 as well as the emergence of the European Community as one of the main political and economic centres on the international arena. In this regard, they stressed the necessity for them to take advantage of these new trends in order to speed up dialogue regarding the Mediterranean and see that the benefits Europe will derive from the new political context and the establishment of the single market would contribute to a better consideration of their countries' interests. In this respect, they paid great attention to the new Mediterranean policy to be adopted by the EEC and considered that it would further intensify the efforts aimed at promoting co-operation in the area, and they have called for its rapid and consequent implementation.

Taking this into consideration, the Ministers:

(a) Stated their conviction that an open and sustained dialogue as well as an intensive co-operation would increase mutual understanding and trust, thus promoting stability, security and peace in the region. They asserted their will to explore all the possibilities likely to help achieve these common objectives of the Mediterranean non-aligned countries and the European countries of the Mediterranean.

(b) Reiterated their request that the prevailing practice be re-examined and modified by the participating countries in the CSCE, so that all non-aligned Mediterranean countries will take part on an equal footing in CSCE meetings on the Mediterranean. They assessed that, at a time when a process of establishment of a new collective security system has been initiated within the CSCE as well as consideration of its future role, the participation of the Mediterranean non-aligned countries should be an essential point of this process having in mind the specific nature of the Mediterranean region and its interests for security and co-operation. In this context, they expressed their readiness to make their contribution within the appropriate framework and entrusted the host country to undertake the necessary steps to this end, in particular in view of the main forthcoming CSCE meetings.

(c) Proceeding from their previous positions and initiatives, expressed their support for a conference on security and co-operation in the Mediterranean on the basis of a CSCE model and their readiness and availability to open a regional dialogue on that issue with Spain and Italy as well as the other concerned countries with a view to creating conditions for initiating such a process. In this regard, they entrusted the host country as well as the host countries of the previous and the forthcoming meetings of non-aligned Mediterranean countries to undertake the appropriate contacts and to encourage the holding of meetings between the Mediterranean non-aligned and the European countries of the Mediterranean with a view to elaborating in greater depth this important idea and finding out ways and means to promote its implementation.

(d) Expressed their interests in the objectives of the EEC's Mediterranean policy to be adopted, aimed at securing stability and prosperity for the Mediterranean basin, and supporting the democratic processes and economic reforms as well as development in the Mediterranean countries. In this respect, they requested that its implementation be accompanied by a substantial financial support commensurate with the EEC's real capacities and correspondent to the Mediterranean non-aligned countries' development needs. Similarly, they welcomed with interest the idea of a Euro-Mediterranean bank as well as that of a global aid to the Mediterranean. In this context, they reiterated the willingness of their countries to start with their European partners an open and sustained dialogue based on mutual interest and reciprocal benefit with the aim of developing more audacious forms of co-operation. In this regard they invited the EEC countries, and their Mediterranean members in particular, to jointly work for the holding of meetings aimed at harmonizing their views on development and co-operation issues in the region.

(e) Gave a mandate to the host country, as well as the host countries of the previous and the forthcoming meetings of non-aligned Mediterranean countries, to work, in close co-operation with the European Mediterranean non-aligned countries participating in the CSCE, with the aim of promoting the common objectives of peace, security and co-operation in the Mediterranean.

(f) Gave a mandate to the host country to initiate a dialogue with the group of neutral and non-aligned countries participating in the CSCE with the view of attending as appropriate their meetings on a reciprocal basis in order to promote the common interests and objectives of the Mediterranean non-aligned countries.

ANNEX II

Final communiqué, adopted at the Third Ministerial Conference of the Mediterranean Non-Aligned Countries, held at Algiers on 25 and 26 June 1990

The Foreign Ministers of the Mediterranean Non-Aligned Countries, Algeria, Cyprus, Egypt, Lebanon, the Libyan Arab Jamahiriya, Malta, Morocco, Palestine, the Syrian Arab Republic, Tunisia and Yugoslavia, met in Algiers on 25 and 26 June 1990, in accordance with the decision taken in Brioni in June 1987.

1. The Ministers reaffirmed the stands and declarations previously adopted in Valletta and Brioni, expressing the will of their countries to contribute to turning the Mediterranean region into an area of peace and co-operation. They strongly reasserted that security in the Mediterranean is closely linked to security in Europe as well as to international peace and security.

2. The Ministers took note with great appreciation of the positive changes which had taken place at the global and regional levels, thus giving a new impulse to the process of disarmament and peaceful settlement of disputes. They expressed, in this respect, the will of their countries to enhance their efforts in order to contribute actively to the elimination of all hotbeds of tension in the region and to the promotion of just and lasting solutions, in accordance with the Charter and resolutions of the United Nations, to the conflicts and crises which are still threatening regional peace and stability. In this context, they reiterated in particular their solidarity with all the peoples of the region that have not yet exercised their right to self-determination and independence and consequently they reaffirmed their commitment to the principle of non-aquisition of territories by force and the need to put an end to foreign occupation.

3. The Ministers paid special attention to the rapid changes in Europe which open prospects for the establishment of increased security, expanded co-operation and lasting peace on the continent. They noted that the deep transformations in Central and Eastern Europe have great potential for opening an era of peace and co-operation in Europe, with its positive repercussions on world peace, security and co-operation. They also noted the acceleration of the dynamics of development in Europe, marked by the significant progress achieved by the EEC, towards the construction of a single market and political union, as well as the new prospects it opens for the integration of Europe as a whole.

4. The Ministers paid special attention to the current debate within the CSCE aiming at the establishment of a new system of collective security in Europe and welcomed the progress achieved in the fields of disarmament and confidence-building measures. They expressed the hope that the current changes on the continent would make it possible to strengthen and widen these processes in the interest of enhancing stability in Europe. While encouraging such a positive process conducive to the reduction of military arsenals of the two military alliances, as well as to nuclear, chemical, biological and conventional disarmament, they also expressed the

hope that such processes would be strengthened and extended to the Mediterranean region.

5. The Ministers stressed the significance of the CSCE summit to be held at the end of 1990 which will inaugurate the Helsinki II process. In this respect, they expressed the expectation that the summit would give new impulse to the nuclear and conventional disarmament process in Europe in the interest of the security of the region. Equally convinced that the development and promotion of the dialogue on the Mediterranean needed a new impulse, they agreed to intensify their efforts in order to make their own contribution to the proceedings of the forthcoming CSCE meetings.

6. Aware of the ever-increasing importance of integration processes in the world, the Ministers stated that the basic interests of their countries compelled them to play a more active role in the management of the matters of the region mainly through their full participation in the economic and technological development processes and by the promotion of co-operation among European and Mediterranean non-aligned countries in the economic, scientific, cultural, technical and ecological fields, thus contributing to the stability of the region by insuring the growing interdependence among Mediterranean countries. They expressed their resolve to promote the trends that further regional integration and the democratization processes freely expressed by the peoples of the region.

7. The Ministers stressed the relevance of the initiatives taken by their countries for the promotion of co-operation and security in the region and considered that the current context is more favourable to the deepening of dialogue in the Mediterranean, while the current political juncture requires action for the hotbeds of tension and their causes to be eliminated through the peaceful settlement of disputes in accordance with the Charter and relevant resolutions of the United Nations. The purpose is to prepare the conditions likely to reinforce security in the Mediterranean and to find equitable, comprehensive and permanent solutions to the problems which our area is either concerned or faced with, to turn the Mediterranean sea into a region of peace and security and to develop complementary co-operation in various fields. To that end, they noted with appreciation the readiness of the European partners of the Mediterranean to open regional concertation on security and co-operation issues.

8. The Ministers expressed their satisfaction at the continued efforts displayed by the Mediterranean non-aligned countries towards the strengthening of security and co-operation in the Mediterranean, at the achievements accomplished in this regard, within the framework of the United Nations, as well as at the constructive contribution of the European neutral and non-aligned countries within the framework of the CSCE.

9. The Ministers stressed once again that the continuation of the improvement of the international climate calls for the respect of independence, sovereignty, territorial integrity, equality among States, justice, the exercise of the right of peoples to self-determination, the cessation in the region of policies of aggression, annexation, occupation and foreign intervention as well as the violation of internationally recognized borders.

10. The Ministers once again underlined the importance of reducing military arsenals and foreign fleets, as well as the necessity of the dismantling of their bases and the logistic supports in the Mediterranean. They also requested that military manoeuvres stemming from bellicose intents or resulting from military treaties not be carried out near the borders or within the territorial sea of the Mediterranean non-aligned countries and that their territorial waters be respected. They also urged all the countries, especially those bordering the Mediterranean to refrain from utilizing their weapons, forces, bases, and all kinds of military facilities against non-aligned Mediterranean countries and not to allow any foreign forces to use their lands, territorial waters and air space to undertake aggressions on non-aligned Mediterranean countries. The Ministers called for efforts to be made together with other countries to abolish the strategic co-operation agreements which constitute a threat to peace, security and stability in the Mediterranean and the Middle East as well as international peace and security.

11. The Ministers referred to the United Nations General Assembly resolution 44/125 on strengthening security and co-operation in the Mediterranean region, as well as Assembly resolution 38/42, and the position taken by the Non-Aligned Movement in previous conferences with regard to United States military attacks against Libya. The Ministers reiterated their call for reducing tension in the region.

12. The Ministers once again drew attention to the dangers inherent in the proliferation of nuclear arms to peace and international security in general and to the Mediterranean region in particular. In this regard, they reiterated their deep concern over repeated reports of Israel's acquisition of nuclear capability, which constitutes a serious threat for the region, and reaffirmed their stand regarding the creation of a nuclear-free zone in the Middle East. In this respect, they condemned Israel's continued development of its military programmes including the testing of ballistic missiles in the Mediterranean and of weapons of mass destruction and its continued refusal to implement relevant resolutions of the United Nations and the International Atomic Energy Agency. They expressed their support to the Egyptian initiative as well as the Syrian proposal aiming at transforming the Middle East region into a zone free of all weapons of mass destruction under effective international control within the framework of the United Nations.

13. After examining the Palestinian issue and the situation in the Middle East, the Ministers expressed their deep concern over the continuation of this crisis and the non-settlement of the question of Palestine - which is at its core - as a result of Israel's occupation of the Palestinian land, including Al Qods, the Syrian Arab Golan, and other Arab territories. They underlined that Israel's continued aggressive policy and annexionist practices in the region, particularly its greater Israel design, constitute serious threats to international peace and security. They also expressed their deep concern over the worsening of repressive measures, confiscation of property, forceful expulsion and banishment of Palestinians and the establishment of settlements by the Israeli occupation authorities.

14. In this respect, the Ministers condemned the Israeli threats of aggression against some non-aligned Mediterranean countries, which constitute a dangerous threat to peace and security in the Mediterranean region and warned against the consequences of such bellicose threats to international peace and security.

15. The Ministers declared that the massive influx of immigrant Jews, particularly from the Soviet Union and their settlement in the occupied Palestinian territory, including Al Qods, the Syrian Arab Golan and southern Lebanon, has innumerable negative consequences for peace in the region, undermines the peace process, frustrates the efforts so far displayed, and constitutes a blatant violation of the international law, the Universal Declaration of Human Rights, the fourth Geneva Convention and the International Covenant on Civil and Political Rights, as well as the fundamental rights of the Palestinian people. While supporting every individual's right to leave any country, including his own, and his right to return, the Ministers stressed that, that right should not be exercised at the expense of the third party, in this particular case at the expense of the Palestinians, the Syrians and the Lebanese. They reasserted that all measures taken by Israel to alter the political, cultural and demographic features of Palestine and other occupied territories are null and void. In this respect, they expressed their support to the Final Communiqué issued by the meeting of the Committee of the Nine on Palestine established by the Non-Aligned Movement, which was held in Tunis in March 1990.

16. The Ministers hailed the heroic intifadah of the Palestinian people, which generated important developments in the region, thus creating conditions that induced the whole international community to engage in common action with a view of reaching a comprehensive, lasting and just settlement. They emphasized the constructive stands of the Palestine Liberation Organization, the sole legitimate representative of the Palestinian people, which rendered a positive contribution in evolving a just and comprehensive solution as was adopted by the National Palestinian Council in Algiers in November 1988. A solution was endorsed by the United Nations General Assembly resolution adopted in Geneva on 15 December 1988. Resolution 44/176 emphasized that the convening of an International Peace Conference on the Middle East with the participation, on an equal footing, of the concerned parties, the permanent members of the United Nations Security Council, including the Palestine Liberation Organization, under the aegis of the United Nations, is the adequate formula to achieve a comprehensive, just and lasting settlement, which would lead to Israel's total withdrawal from all the occupied Arab territories and secure the Palestinian people's legitimate, inalienable, national rights to return to its homeland, to exercise its self-determination, and to establish its own independent state in Palestine. The Ministers condemned the terrorist practices of the Israeli authorities against the Palestinian people and denounced the massacre of civilians and Palestinian workers perpetrated in Aioun Kara on 20 May 1990, which cost hundreds of deaths and injuries among the Palestinians. The Ministers deplored the United States position favourable to Israel as well as its use of the veto which impedes efforts of the Security Council and the United Nations towards providing adequate protection to the Palestinian people under Israeli occupation. The Ministers also hailed the steadfastness of the Syrian nationals in the Golan Heights in confronting the Israeli occupation authorities and in their attachment to their lands and to their Syrian Arab identity.

17. After reviewing the tragic situation prevailing in Lebanon, the Ministers expressed their deep concern over the resurgence of fratricidal violence and the persistent obstacles impeding the continued implementation of the National Reconciliation Agreement reached in Taif under the aegis of the Arab Tripartite High Committee. They recalled the stand of the Movement of the non-aligned countries expressed in Belgrade in September 1989, and gave their support to the sustained efforts provided by the Arab Tripartite High Committee for the full implementation of the Taif Agreement within the framework of the implementation of the resolution on Lebanon adopted by the Special Arab Summit held in Casablanca in May 1989.

18. While expressing their full support to the national conciliation agreement and their attachment to the unity, independence, sovereignty, and territorial integrity of Lebanon, the Ministers voiced their solidarity with the Lebanese people for the suffering it has been undergoing, and called upon the parties likely to exert positive influence towards bolstering the authority of the state of Lebanon, to revive action towards a full implementation of the arrangements laid down by the national conciliation agreement since the latter remains the sole framework capable of restoring peace and conciliation in Lebanon. Likewise, the Ministers expressed their deep concern in the face of the continued Israeli occupation of parts of the Lebanese territory, denounced the repeated Israeli aggressions against Lebanon, whose aim is to undermine the latter's security and to weaken its constitutional institutions, as well as the illegal practices conducted by Israel against the civilians. They voiced their respect for the steadfastness of the citizens and their valiant resistance to the forces of occupation in southern Lebanon. They called upon the international community to strive towards the implementation of Security Council resolution 425 (1978) which provided for the unconditional Israeli withdrawal to the international borders, a withdrawal that would secure the restoration of the legitimacy of the Lebanese Government's authority over all its territories.

19. Examining the situation in Cyprus, the Ministers reiterated their solidarity with and support for the people and Government of Cyprus and reaffirmed their support for the independence, sovereignty, territorial integrity, unity and non-aligned status of the Republic of Cyprus. They called for the immediate withdrawal of all occupation forces and settlers, the voluntary return of refugees to their homes, the respect for the human rights and fundamental freedoms of all Cypriots, the speedy tracing of and accounting for those missing, the repeal of all unilateral separatist actions; they also expressed their concern over attempts to settle Varosha and all attempts aimed at altering the demographic structure of Cyprus and recalled the idea of holding an international conference on Cyprus. The Ministers underlined that dialogue and intercommunal talks are the only way of reaching a just solution through peaceful means on the basis of the principles of the United Nations Charter, the United Nations resolutions, the Non-Aligned Movement's declarations and the high-level agreements. They noted with regret that the recent contacts under the auspices of the United Nations Secretary-General did not lead to any progress towards preparing an outline of an overall agreement, as agreed in April and June 1989, and as expected by the Secretary-General, who has already submitted a set of ideas to that effect. In this respect they expressed their regret that obstacles had been set up once again, preventing the pursuit of

effective talks and called for their elimination. The Ministers expressed their full support to the efforts of the Secretary-General aimed at finding a just and lasting solution and appealed to all parties to co-operate fully with him in a constructive spirit.

20. The Ministers examined the economic situation in the region and underlined the aggravation of the development problems of the Mediterranean non-aligned countries in sharp contrast with the positive tendencies in Europe, and in the European Community, in particular. The relaunching of the developing process of Mediterranean non-aligned countries requires, first of all, a substantial increase of the transfer of financial resources in their direction and a just solution to the foreign debt issue as well as the elaboration of appropriate and effective mechanisms of co-operation among the countries of the region, in particular with the EEC. In this respect they paid great attention to the new Mediterranean policy of the EEC which, they hoped, would be rapidly implemented, accompanied by appropriate financial means commensurate with the importance given by the EEC to the Mediterranean region. Considering the elaboration of community measures related to the movement and settlement of persons, they requested that the new mechanisms will not penalize the migrant communities of their countries nor impede the freedom of circulation for the citizens of their countries.

21. The Ministers expressed their conviction that there could be neither stability in the Mediterranean, nor better prospects for the countries of the region as a whole, without a reduction of the economic disparities and a durable growth of the Mediterranean non-aligned countries, which are displaying sustained efforts to adjust and which are making sacrifices in a still unfavourable environment. They reiterated their will to engage with European countries in a constructive dialogue on economic issues and co-operation, and to promote common efforts towards finding efficient solutions to the problems of development and co-operation in the region.

22. The Ministers considered that a favourable international economic environment was vital for the realization of their development objectives and called upon the countries of the European community and among them, particularly, the Mediterranean ones, to make efforts to adjust to the new regional realities so that the integration process of Europe in general and in the Community in particular, would contribute to the economies of the Mediterranean non-aligned countries.

23. The Ministers once more urged the cancellation of all coercive measures imposed on some Mediterranean non-aligned countries as they constitute impediments to co-operation and dialogue between Europe and the Mediterranean non-aligned countries.

24. The Ministers noted the growing concern of Mediterranean countries over the problems related to environmental protection in the Mediterranean, which have reached alarming proportions during the past few years. In this context, they welcomed the CSCE decision to hold a meeting in September-October 1990 in Palma de Majorca, which would examine, inter alia, ways and means to strengthen further various aspects of the co-operation, particularly, the protection and improvement of the Mediterranean ecosystems. They expressed hope that such an initiative would lead to a co-operation which will include all questions of common

interests. They stressed the imperative need for the Mediterranean countries to multiply efforts towards joint action for the safeguard of the Mediterranean countries and the protection of the Mediterranean area from the dangers constituted by any introduction of toxic, nuclear or industrial waste.

25. The Ministers underlined the growing importance, within the present context, of using the advantage of the economic complementarities of their countries to foster a co-operation in all forms among them. Such co-operation would constitute a further contribution to a greater security in the Mediterranean area, as well as an impetus to the strengthening of co-operation with other European countries and all their institutions. In this regard, they reaffirmed the importance of the programme of action for mutual economic co-operation of the Mediterranean non-aligned countries adopted in Brioni and agreed to continue the implementation of its provisions.

26. Bearing in mind the importance of strengthening mutual co-operation, the positive and constructive results of the ministerial meetings of Valletta in 1984, of Brioni in 1987 and the subsequent meetings, the Ministers decided:

(a) That the forthcoming meeting of the Ministers for Foreign Affairs of the Mediterranean Non-Aligned Countries will be held in Cairo at a date which will be fixed later.

(b) That in its capacity as the host country, Algeria shall convey the results of the present meeting to all members of the Non-Aligned Movement and shall request the Secretary-General to circulate the documents it has adopted as official documents of the General Assembly.

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SPECIAL ECONOMIC AND DISASTER RELIEF ASSISTANCE: SPECIAL PROGRAMMES OF ECONOMIC ASSISTANCE

Summary reports on Benin, the Central African Republic, Chad, Democratic Yemen, Djibouti, Ecuador, Madagascar and Vanuatu

Report of the Secretary-General

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I. INTRODUCTION

1. The General Assembly, at its forty-third session, adopted resolution 43/211 on 20 December 1988, entitled "Assistance to Benin, the Central African Republic, Democratic Yemen, Djibouti, Ecuador, Madagascar and Vanuatu". In the resolution, the Assembly noted the special economic difficulties confronting each of those countries and appealed to the international community to respond generously to the needs of those countries as identified in the report of the Secretary-General (A/43/483); it also requested the Secretary-General to report to the Assembly at its forty-fifth session on the implementation of the resolution. At its forty-fourth session, the Assembly adopted resolution 44/176 on 9 February 1990, entitled "Special economic assistance to Chad", in which it invited States and competent United Nations organizations and programmes to participate actively in the round-table process for Chad, and called upon the Secretary-General to keep the situation in Chad under review and to report thereon to the Assembly at its forty-fifth session.

2. The present report contains the reports of the Secretary-General in pursuance of General Assembly resolutions 43/211 and 44/176. The reports, which are summary in nature, provide information on the special programmes of economic assistance being implemented for the countries concerned. The present report updates information contained in the report of the Secretary-General (A/43/483) in respect of the seven countries identified in General Assembly resolution 43/211. It also updates information concerning Chad contained in the report of the Secretary-General (A/44/418).

3. The purpose of the special programmes of economic assistance is to help countries in dealing with special circumstances that have a serious negative impact on their development efforts. Thus, some programmes are designed to support national reconstruction efforts after natural or man-made disasters; others aim to help overcome the obstacles to national development posed by weak infrastructure, resulting from a land-locked or small-island situation. Generally, the economies of the countries in the programmes are characterized by fragility and a high degree of vulnerability to external conditions, especially the global economic environment. In adopting the above-mentioned resolutions, the General Assembly has called upon the international community, the specialized agencies and other organizations and programmes of the United Nations system to provide support to those countries.

4. Of the eight countries mentioned in paragraph 1 above, six have been classified by the General Assembly as least developed countries. As a follow-up mechanism of the Substantial New Programme of Action for the 1980s for the Least Developed Countries, 1/ a significant number of countries are implementing a round-table process and, to an increasing extent, these countries have integrated the special programme of economic assistance into the round-table process in mobilizing and co-ordinating donor support.

5. Through its continuing series of consultations with donors and its primary focus on the country's economic situation, the round-table process provides a particularly appropriate framework in which the status and future needs of a country can be assessed. The process provides Governments with a mechanism to mobilize support for the development strategies of their countries. The documentation prepared for a round-table conference provides a macro-economic analysis of the country's current situation and identifies constraints to development. Sectoral and special programme consultations that ensue as follow-up to the round-table conference generate analyses of key specific issues and thereby suggest directions for subsequent approaches and activities. Round-table meetings provide an opportunity for Governments to enter into an economic policy dialogue with donors to encourage a mutual commitment to implement appropriate strategies. The round-table meetings also give donors an opportunity to consider whether the level of their financial commitment and their aid modalities are conducive to the achievement of the desired development objectives. The lead institution in the round-table process is the United Nations Development Programme (UNDP).

6. In his progress report on reform and renewal in the United Nations (A/42/234), the Secretary-General decided that the administration of the special programmes of economic assistance would henceforth be the responsibility of UNDP. Accordingly, the reports in the present document have been prepared by UNDP, based on information provided by Governemnts of the countries concerned through the resident co-ordinator of the United Nations system's operational activities for development and resident representative of UNDP, as well as on data available in the UNDP regional bureaux.

7. In the present report the summary reports are presented according to the allocation of country responsibility among UNDP regional bureaux, which are: the Regional Bureau for Africa (see sect. II); the Regional Bureau for Arab States and European Programmes (see sect. III); the Regional Bureau for Asia and the Pacific (see sect. IV); and the Regional Bureau for Latin America and the Caribbean (see sect. V). Additional information concerning any of the special programmes of economic assistance or round-table conferences or meetings may be obtained from the appropriate UNDP regional bureau or from the Government concerned.

II. AFRICA

A. Benin

1. Background

8. A special programme of economic assistance for Benin was initiated in response to General Assembly resolution 35/88 of 5 December 1980. In its resolution 43/211, the Assembly noted that Benin continued to experience grave economic and financial difficulties and that its situation had been made even more precarious as a result of disastrous floods in 1988.

2. Political changes

9. In December 1989, the Government of Benin decided to abandon Marxism-Leninism. Following that decision, a national conference was called in February 1990 to determine the country's political future. The conference decided that a one-year transitional government should be formed; consequently, a new prime minister and cabinet were appointed in March 1990. The new transitional government is convinced of the necessity of continuing the implementation of the Structural Adjustment Programme.

3. The economy

10. The agricultural sector, the corner-stone of Benin's economy, providing food and commercial crops both for national consumption and export, enjoyed a recovery in output in 1988 and 1989 following the poor performance in 1987. The country remained self-sufficient in foodstuffs except for wheat and rice. In the case of maize, the main cereal consumed, production increased by 54 per cent between 1983 and 1989, but production prices fell by 28 per cent over the same period. Production of the main export crop, cotton, exceeded 100,000 tons in 1988 and again in 1989, a recovery from the 70,000 tons produced in 1987.

11. Outside of the agricultural sector, however, the economy of Benin was in the grip of a financial crisis that pushed short-term management problems to the forefront against a background of concerns with medium and long-term social and economic development.

4. Structural Adjustment Programme

12. In June 1989, after several years of negotiation, the Government of Benin, with the support of the International Monetary Fund (IMF) and the World Bank, adopted a Structural Adjustment Programme. The Programme, which is for the period 1989-1992 and aims at financial stabilization and economic recovery, includes among its broad objectives:

(a) Creation of economic conditions to sustain an annual average rate of real growth in gross domestic product (GDP) of around 3 per cent;

(b) Containing the rate of price inflation with a view to improving Benin's competitive position;

(c) Accelerating the return to a viable balance-of-payments position, through reducing the deficit on current account, eliminating arrears on external debt payments and improving the net assets position of the banking system;

(d) These objectives are to be pursued in the framework of a radical reorientation of the country's development strategy and by way of a rigorous management of total demand. The reorientation will take place around three principal axes:

(i) Reduction in the role of the public sector with a view to freeing resources and using them in a more competitive environment. Within the public sector, improved management will be sought in two areas:

a. Public finances, by way of reforms of the budgetary system and restructuring;

b. Public resources, through strengthening the system of planning and programming of public investments;

(ii) Promotion of the private sector to enable it to make a greater contribution to the country's economic development. Institutional checks to productive initiatives are to be eliminated;

(iii) Restructuring of the banking system, enabling it to resume its function as financial intermediary. The restructuring is to be carried out in association with foreign private partners having a strong financial base and expertise in the techniques of bank management.

13. The measures envisaged to carry out this reorientation will reach all sectors of the economy. Specifically, in the public sector, the Programme aims at a substantial improvement in State finances, with a surplus on the recurrent budget being achieved by 1992. The public administration will undergo vast reform and the programme of public investment will be strengthened. The State's participation in public enterprises will be reduced, privatization accelerated and unprofitable enterprises closed. Those enterprises that do remain State-run will be restructured. The general economic climate is to be improved in a way to promote productive activity: administrative procedures related to creating new activities will be simplified, the labour market will be deregulated, the tariff system is to be revised and a new investment code adopted. The banking system will be restructured by the total or partial liquidation of existing national banks and the creation of new institutions, with private majority ownership. Steps will be taken to tighten control of the banks.

14. It is estimated that, to meet the financial requirements arising out of the Structural Adjustment Programme, Benin will require external assistance amounting to $732 million, exclusive of project assistance. The World Bank expects to support Benin's new economic policies through its structural adjustment credits, with an initial credit of $45 million for 1989. IMF increased to 22 million special drawing rights (SDRs) its assistance from its Structural Adjustment Facility. Other assistance provided in 1989 included a rescheduling by the Club of Paris of 55.79 billion CFA francs in external debt incurred by Benin. Donors provided 23.8 billion CFA francs (approximately $80 million) in assistance to meet State operational costs, which was estimated to represent 47 per cent of required donor assistance in this area.

15. The social dimensions of adjustment have been of concern to the Government and it is seeking ways to alleviate the impact of economic restructuring on the population at large and on vulnerable groups in particular. The Government has been in consultation with the World Bank and UNDP concerning programmes to alleviate pressing social hardships.

5. Financial situation in 1989 and 1990

16. The financial crisis in Benin reached its peak in 1989. Fiscal revenues fell off by one third as compared with 1988, a result of the erosion of the tax base, the collapse of the banking system, the fall in productivity of the revenue services, which was affected by strikes for much of the year, and the persistence of economic crisis elsewhere in the region. With external assistance, the lag in payment of civil servants' salaries for 1989 was reduced in December 1989, on average, from three months to one month. However, the salary arrears from 1988 remained.

17. For 1990, the public service salary bill is budgeted at 37.5 billion CFA francs, a reduction of 1.6 billion CFA francs compared with 1989. The fall in the salary bill comes in the main from a reduction in the number of persons employed as some retire and others choose to leave under a voluntary retirement programme. This programme itself, however, by which a minimum of 3,000 persons will retire voluntarily in 1990 at a cost of 7.9 billion CFA francs, will require donor financial support.

6. Development and external assistance

18. The financial crisis in Benin brought a slowdown in the country's development programme. About 75 per cent of the public investment programme included in the budget for 1989 is estimated to have been implemented. As the public finances situation deteriorated and further arrears on external debt were accumulated, disbursements for development projects were blocked. Further, counterpart funds were lacking both for externally assisted projects and for budget-financed projects. The Government is paying particular attention to these two aspects - investment capital and counterpart funds - in order to avoid compromising its priority development projects.

19. Data available at September 1989 indicate that about 85 per cent of public investment outlay in 1989 was for production sectors. The negative consequences of the lack of financial resources were felt most strongly in the social sector, where the rate of project execution fell below the average for all the sectors. The Government is seeking to avoid a recurrence of this greater-than-average impact on the social sectors.

20. The external assistance required for 1990 is still dominated by the need for short-term assistance for salary payments and the elimination of arrears on external debt payments. The total funding needed for the 1990 financial stabilization programme is 73.9 billion CFA francs. Donor commitments in respect of the 1990 budget amounted to 40.1 billion CFA francs as at May 1990, leaving a funding gap of 33.8 billion CFA francs. Benin's needs have been presented to a meeting of donors organized by the World Bank under its Special Programme for Africa, held in Paris in June 1990.

21. With the support of UNDP, the Government is preparing to hold a round-table conference before the end of 1990. Four documents will be submitted to the conference: a macro-economic policy framework; a public investment programme for

1990-1992; priority action programmes in the social sectors; and a technical co-operation policy framework programme, which is prepared in the context of the ongoing National Technical Co-operation Assessment and Programmes (NaTCAP) exercise.

22. External development assistance to Benin in 1988 amounted to $209.8 million, of which the bulk, $178.6 million, was for capital expenses ($116.3 million) and technical assistance ($62.3 million). Donor contributions making up the $178.6 million were as follows (in millions of dollars): bilateral, 88.1; multilateral, 67.6; United Nations system, 14.2; non-governmental organizations, 8.6.

7. The 1988 floods

23. Following several years of drought, the provinces of Zou, Borgui and Atacora suffered flood rains in August/September 1988, which resulted in 70,000 flood victims, loss of crops and stocks and left thousands homeless. Donors responded generously to the appeal made by the Government on 13 September 1988 with donations in cash and kind totalling $10 million.

B. Central African Republic

1. Background

24. The special programme of economic assistance for the Central African Republic was initiated in response to General Assembly resolution 35/87 of 5 December 1980. In its resolution 43/211, the General Assembly noted the persistence of the grave difficulties that the Government of the Central African Republic continued to face and the importance of mobilizing more supplementary resources to enable the country to achieve its development objectives.

2. The economy

25. Following a period of real economic growth in the Central African Republic in 1984-1986, gross domestic production (GDP) declined in real terms between 1987 and 1988. The external current account went further into deficit in 1988, despite a contraction of imports; the deficit for the year represented 18 per cent of GDP. Weakness in world prices for primary products contributed to those results. The price of robusta coffee exported from the country fell by some 57 per cent between 1986 and 1989, while prices of tobacco exports fell by 41 per cent over the same period. Export revenues have also suffered from declines in the quantities of cotton, coffee and wood exported. Exacerbating the current account shortfall is the country's land-locked situation, which adds to transport and insurance costs.

26. As a result of the decline in export revenues and the contraction of imports, the situation with regard to public finances also deteriorated in 1988. Recurrent costs were in excess of revenues, and capital expenditures were markedly curtailed. As at year-end 1988, the country's public debt amounted to $598 million, with debt servicing consuming 16 per cent of export revenues.

3. Structural Adjustment Programme and Development Plan

27. In 1981, faced with a critical economic and financial situation, the Government of the Central African Republic, in consultation with the World Bank and IMF, launched a Structural Adjustment Programme. The objectives of that Programme and the country's five-year Development Plan for the period 1986-1990 are outlined in the report of the Secretary-General for 1987 (A/42/442, sect. II.B).

28. An evaluation of phase II of the Structural Adjustment Programme carried out in September 1989 indicated that, following the reversals of 1988, some recovery had set in during 1989, in the context of a moderation in the rate of inflation. However, public finance objectives under the Programme were not realized, with 1989 revenues about 11 per cent lower than targeted, while expenditures and net loans were 2 per cent higher. Excluding gifts, the overall public deficit for 1989 represented 13 per cent of GDP, as compared with the Programme's objective of 11 per cent.

29. Some progress was made in 1989 in restructuring a number of public enterprises and the dissolution of a number of unprofitable ones. The privatization of a number of former public enterprises has been carried out, including SICPAD (agro-industries) and SIRIRI (insurance). Privatization of SEGA (slaughter-houses) is envisaged.

30. The public investment programme had aimed at allocating 75 per cent of the programme's resources in the period 1986-1989 to the areas of rural development and social and physical infrastructure. In fact, 83 per cent of public investment resources were allocated to those areas. However, resources allocated to rural development fell off somewhat in 1989 for reasons related to the Government's lack of control over external financing.

31. As significant efforts have been made by the Government of the Central African Republic to carry out economic, budgetary and institutional reforms, not without socio-political consequences, the third tranche of the second stage of the Structural Adjustment Programme was released at the end of 1989 and discussions have been initiated concerning a third stage, to be put in place in June 1990.

32. UNDP is working to strengthen national capacity in the areas of macro-economic analysis and programming with a view to ameliorating the impact of the adjustment process on the population. Focusing on the social costs of structural adjustment, especially for the most vulnerable groups, an identification mission under the UNDP project, Social Dimensions of Adjustment, visited the country several times between November 1989 and March 1990.

4. Round-table process and aid co-ordination

33. In accordance with recommendations made at the round-table conference held at Geneva in June 1987, follow-up sectoral and thematic consultations have taken place. Consultations on rural development took place in June 1989, and consultations on transport and road maintenance were held in March 1990. Through

the latter, financing has been assured for the Government's transport sectoral project as well as for a number of complementary projects. A mechanism for annual follow-up to the transport consultations has been put in place. Preparations are under way for consultations on education, training and employment and on small and medium-size enterprises, scheduled to take place in 1990. The conclusions of the various sectoral consultations will be taken into account in the social and economic development plan for 1990-1995 that the Government is currently formulating, with technical and material support from UNDP.

34. In the framework of the fourth country programme, 1987-1991, of UNDP for the Central African Repbulic, UNDP is providing support to national planning capacity and socio-economic management. This assistance, which involves a number of ministries, is co-ordinated with World Bank support to economic management and support provided by the Government of France, the African Development Bank and the United Nations Population Fund (UNFPA).

35. At the sectoral level, there is a notable increase in aid co-ordination among bilateral and multilateral donors and non-governmental organizations. For example, UNDP is co-operating with the World Bank in rural development, with the Government of the United States of America for the promotion of small and medium enterprises, and with other United Nations and activities of non-governmental organizations in such areas as health, education and protection of the environment.

36. In another important aid co-ordination exercise, the Central African Republic was one of the first pilot countries to initiate a NaTCAP exercise. A series of studies on technical co-operation and the structure of select sectoral ministries was carried out in 1986 that led to a number of actions to reinforce the planning capacity of those ministries. A national seminar on technical co-operation was held in May 1989 to debate the effectiveness of technical co-operation. The Government has requested UNDP assistance for follow-up action to strengthen the management of technical co-operation so as to improve its effectiveness and relevance. Consultations are taking place between the Government, UNDP and the donor community regarding future action.

C. Chad

1. Background

37. A special programme of economic assistance to Chad was initiated pursuant to General Assembly resolution 35/92 of 5 December 1980. The most recent report of the Secretary-General on the programme is contained in document A/44/418 dated 7 August 1989. In its resolution 44/176, the Assembly renewed its request to the international community to continue to contribute to the rehabilitation and development of Chad.

2. The economy

38. With the support of the international community, economic reconstruction of Chad continued in 1989. Gross domestic product (GDP) rose by 1.2 per cent. The production of food crops, at 700,000 tons, was only slightly less in 1989 than in the previous year when rainfall was exceptionally favourable. The production of cotton, which accounts for 50 per cent of Chad's export revenues, was over 3 per cent higher in 1989 than in 1988 and there is a discernable improvement in the financial situation of cotton production.

39. The internal and external financial deficits that have characterized the economy of Chad for a number of years persist. The deficit on the external current account rose in 1989 to 68 billion CFA francs. Official reserves cover four months' imports. The deficit on the recurrent national budget rose to 12.9 billion CFA francs in 1989 compared with 6.2 billion CFA francs in 1988. The overall budget deficit grew by 3.1 billion CFA francs to 71.8 billion CFA francs.

40. In the pattern of accelerating external indebtedness that has marked the last five years, the external debt rose to 122 billion CFA francs in 1989. The burden of servicing the debt also increased. Debt-service payments represented 8 per cent of export revenues in 1989 compared with 5 per cent in 1988. The Government of Chad and donors are studying ways and means of combating the upward trend in external indebtedness. In the course of 1989, external debt in the amount of 10 billion CFA francs was rescheduled.

3. Policy reforms and restructuring of the economy

41. With the support and co-ordination of donors, the Government of Chad has been implementing policies of economic reform and restructuring. A 1989-1993 programme for the transport sector, which aims at rehabilitating the infrastructures of communications and strengthening the sector's institutions, is being carried out. For cotton production, 1989 saw the adoption by the Government of a price policy linked to a more flexible and more liberal mechanism of support designed to strengthen the competitiveness of Chad's cotton in world markets. The plan to reform the fiscal system, initiated in 1987, was finalized in 1989, under the aegis of IMF. The tax base is to be enlarged, the fiscal system simplified and the fiscal administration reorganized. A planned $24 million social development programme, to be put in place with the support of the World Bank and other donors, was the subject of further discussions in 1989. The programme has four components: job creation, improvement of the sanitary system, improvement of health structures at N'Djamena and strengthening of social planning capability. Institutional cadres and organs of management have been put in place. With a view to strengthening the managerial capacity of the administration in economic and financial matters, the Government of Chad signed an agreement with the World Bank in 1988 for a credit of 10 million SDRs.

4. Development planning, the round-table process and aid co-ordination

42. Following the interim plan for 1986-1988, a new planning document was prepared in December 1989 and was discussed at the Round-table Conference of Donors to Chad, held at Geneva in June 1990. Three major objectives have been identified: increasing agricultural production through modernization of productive structures; improving the well-being of the population; and restoring financial equilibrium. A further objective is the rehabiliation of communications infrastructure. On the sectoral level, particular attention will continue to be given to rural development. The strategy is that communities should assume more responsibility for putting the plan into force, with the State playing a correspondingly smaller role.

43. A sectoral consultation on education, training and employment is scheduled to take place before the end of 1990, with the French Fonds d'aide et de coopération and the World Bank playing leading roles. Other consultations agreed upon during the third Round-table Conference include meetings on technical co-operation policy, the private sector, health and social affairs, environment and desertification, rural development and food security and urban development.

44. Much remains to be done to implement the programme for the rehabilitation of the prefecture of Borkou-Ennedi-Tibesti in northern Chad, which was the subject of special consultations between the Government of Chad and donors in December 1988. At the end of 1989, confirmed pledges had been made in respect of 38 per cent of the $43 million programme. Donor interest has been centred on the agro-sylvo-pastoral sector.

45. Total external aid to Chad in 1989, according to data of the Ministry of Planning, increased to 93.1 billion CFA francs (approximately $310 million), which represented 29.2 per cent of Chad's GDP. Almost 63 per cent of this assistance was in the form of grants. The agro-sylvo-pastoral sector was the principal beneficiary, with 28 per cent of the total, followed by transport infrastructure and telecommunications with 26 per cent.

46. Following consultations between the Government of Chad and UNDP, a NaTCAP exercise was launched in June 1989. It is a process for systematically reviewing the technical co-operation that a country receives from all sources, particularly in regard to the effectiveness of that assistance and the programming of priority needs. In the months following the launching of the programme, follow-up action has been rapid. A data base on technical co-operation projects and activities was established in the Ministry of Planning and the necessary equipment and training was provided. A national working group carried out a number of background studies on technical co-operation issues. A national seminar was held in March 1990, in which most of the government departments participated. Based on those studies and exchanges, a draft technical co-operation policy framework paper was approved by Chad's Council of Ministers and was presented to the donors at the Round-table Conference, held at Geneva on 19 and 20 June 1990.

5. Assistance from the United Nations system

47. The World Health Organization (WHO) has continued to assist Chad in the rehabilitation of its health services. During 1989, particular emphasis was placed on the following areas:

(a) Implementation of primary health care at central, intermediate and district levels, and training in management of primary health care. With the support of WHO, Chad is in the process of establishing a national health-learning materials project;

(b) Maternal and child health activities, in particular for the expanded programme on immunization, the diarrhoeal disease control programme, and the family well-being programme. A programme managers' meeting was held in Chad to review national diarrhoeal disease control activities, and the progress of those activities, their problems and possible solutions. WHO also helped in assessing the malaria situation for the development of a malaria control programme;

(c) Co-operation with the National Office of Sanitary Engineering and Sanitation for the attainment of safe water supply, particularly in the areas of training and equipment supply;

(d) Development of human resources for health through fellowship support and training of personnel both within Chad and abroad.

48. A national dracunculiasis (guinea worm disease) eradication plan of action is being developed with the support of WHO and necessary funding was discussed at a donors' meeting at Lagos in July 1989.

49. In 1989, FAO, under the Food Security Assistance Scheme, initiated the formulation of a long-term comprehensive food security policy and programme framework for Chad. An Interministerial Committee was established and procedures agreed upon for the formulation of policies and strategies to be developed in the course of 1990. The study phase has been completed, and the resulting food security assessment and issues document has now been endorsed by the Government.

50. In 1989, FAO assisted the Government of Chad in the preparation of the legal instruments and the operational procedures for the establishment and management of a food security emergency reserve, at present agreed upon at a level of 20,000 tons. A general agreement (accord cadre) covering the principles of the utilization and the technical and financial management of the stock has been endorsed by the Government and bilateral and multilateral donors wishing to participate in the financing of related activities.

51. The desert locust situation remained calm in 1989 and the first quarter 1990. However, as a result of the good rains in July/August 1989, grasshopper infestations became widespread in a number of regions. Significant crop damage was limited. During the grasshopper operations, 220,000 hectares were treated. In addition, locust infestations developed between the Logone and Chari rivers in September/October 1989, and 34,000 hectares were treated. Widespread infestation

of tree locust in central and southern areas damaged fruit trees but not cereal crops. Assistance for locust and grasshopper control in 1989 from the international community amounted to $6,727,000.

52. World Food Programme (WFP) assistance to Chad was reviewed in the course of 1988, and the current programme now covers education, rural development and vulnerable groups. A three-year school-feeding project providing 24,095 tons of food valued at $US 23.9 million became operational in April 1989. A three-year project for rural development (3,300 tons with a value of $2.4 million) became operational in early 1990 and a two-year project of assistance to vulnerable groups (4,855 tons valued at $US 4.5 million) is to be implemented by mid-1990. The three projects are closely linked to external sources of funding in each sector. WFP transports the commodities directly to the regions, meets a portion of the transport costs from the regions to the institutions and defrays part of the expenses related to the management of the food. WFP, along with the Ministry of Food Security and other partners in Chad, continues to maintain a close watch on areas which could suddenly require emergency assistance.

53. The programme of co-operation between the United Nations Children's Fund (UNICEF) and the Government of Chad centres around three major components: integrated basic services, health, and women's activities. The total budget for the programme in 1989 was $6 million. The main thrust of the programme is the integrated basic services, designed to extend the widest range of services to the greatest number of people at the lowest cost and to eliminate counter-productive dispersion of effort by focusing on four selected areas in which mother/child health intervention has been initiated: health, water and sanitation, education and family food security. The UNICEF health programme in Chad is divided into four sub-components: Expanded Programme of Immunization (EPI), Control of Diarrhoeal Disease (CDD), Maternal and Child Health Care (MCH) and Nutrition. During the past year, UNICEF has placed more emphasis on its activities to promote women's activities and, in particular, to provide supplies and training for women engaged in small production.

54. Together with the Direction des statistiques et des études economiques et demographiques, the Department of Technical Co-operation for Development of the United Nations Secretariat is executing a 65-month project, which started in November 1989 with bilateral and multilateral funding, to conduct a population and housing census in Chad. The pilot census is scheduled for the end of 1990 and the enumeration stage for 1991. Field operations of a ground-water exploration project, executed by the Department with $11 million funding from UNDP and the United Nations Capital Development Fund, were concluded in March 1990. Over 500 bore holes were drilled in a period of 20 months, a national staff of 80 were trained, an operational base established and equipment acquired. The Department also provided technical assistance under UNDP-funded projects to strengthen national capability in the areas of geological and mineral research and negotiations on oil refinery construction. Staff from Chad's Planning Ministry participated in a high-level workshop on planning of financial resources for development organized by the Department and held at Addis Ababa in late 1989 under funds provided by the United Nations regular programme of technical co-operation.

55. A further 4,400 refugees were repatriated to Chad in 1989, bringing the estimated total number since the operation began in 1987 to 107,400. The great majority returned to the south of the country. Direct assistance was provided for the initial rehabilitation of returnees by the Office of the United Nations High Commissioner for Refugees (UNHCR) in co-operation with FAO and non-governmental organizations. Limited assistance was also given for the maintenance of wells and pumps installed in the home areas of the returnees in an earlier phase of the operation. The UNHCR representative in Cameroon co-ordinates UNHCR activities in Chad with the UNDP field office in N'Djamena.

D. Madagascar

1. Background

56. A special programme of economic assistance for Madagascar was initiated in 1984 in response to Economic and Social Council resolution 1984/3 to help the country cope with the effects of cyclones and floods that had occurred. In its resolution 43/211, the General Assembly noted that the needs of Madagascar for reconstruction and rehabilitation programmes requires the mobilization of sizeable resources exceeding the country's real possibilities.

2. The economy

57. After almost a decade of efforts aimed at financial stabilization and structural adjustment of the economy, Madagascar began in 1988 to experience the beginnings of economic growth, in addition to the visible improvement in its macro-economic internal and external balances. Moreover, to an increasing extent, attention is being given to the social and environmental dimensions in the Structural Adjustment Programmes. This increased focus will progressively lead to improvement in the social indicators which have undergone deterioration in recent years.

58. The economic growth which began in 1988 accelerated in 1989 as a result of a good performance in agriculture, trade, tourism and the informal sector. Overall agricultural output rose by 3.5 per cent in 1989 over the 1988 level, with rice production up by 17.6 per cent.

59. Public consumption stabilized in real terms, while total investment and per capita consumption tended to grow over the 1988-1989 period. Implementation of the Public Investment Programme in 1989 was about 80 per cent of the year's allocation under the plan for 1989-1991, owing to a lack of absorptive capacity. The overall public deficit was reduced to the equivalent of 4 per cent of GNP and was covered by soft loans.

60. The rate of inflation fell from an annual rate of 26 per cent in 1988 to 9.4 per cent in 1989, with seasonal variations. Under the credit and monetary policies adopted, credit ceilings and conditions were imposed.

61. In the area of external finances, the current account deficit for 1988, after taking account of official transfers, is estimated at 8 per cent of GDP. Reserves of foreign exchange and gold are considered to be at a comfortable level, sufficient for about 23 weeks of imports.

62. Servicing of the external debt has been a major constraint on Madagascar's development. The total of external debt to be reimbursed was estimated, as of 1989, at 168.7 per cent of GDP. To relieve the debt-servicing burden, a number of reschedulings have taken place: under agreement reached with the Club of Paris in October 1988, under the 1988 Toronto economic summit initiative, and under debt conversions approved within official aid programmes. As a result of those conversions, the debt-servicing burden has been lessened. Before the reschedulings, debt servicing represented 116.9 per cent of export earnings; after the reschedulings, that figure was reduced to 56 per cent.

3. Development

63. The plans adopted by the Government of Madagascar for the immediate future aim at a pattern of economic growth that is both stronger and more equitable. As indicated, the economic and financial measures adopted under the Structural Adjustment Programme have yielded concrete results in the macro-economic balances, both internal and external. However, the situation is considered less satisfactory with regard to the social welfare of the population. This sector has suffered from resource allocations that have not kept pace with the increases allocated to other sectors over the period of economic and financial adjustment and restructuring. Consultations with donors to mobilize additional assistance for the social sectors are scheduled to take place at the end of 1990.

64. As a result of consultations with donors focusing on the environment, held at Paris in February 1990, a 15-year environmental plan for Madagascar can now be systematically pursued.

4. External assistance and aid co-ordination

65. The total of aid disbursements to Madagascar in 1988 amounted to $382.5 million, an increase of 3.3 per cent in current dollars compared with 1987, but a decrease in real terms. Five multilateral donors - the World Bank, the European Development Fund, the African Development Bank, IMF and UNDP - together accounted for 39 per cent of contributions in 1988.

66. The different types of assistance have shown distinctive trends. Assistance for structural adjustment rose markedly between 1987 and 1988, from 17 per cent of total assistance to 32 per cent. The World Bank doubled its assistance for structural adjustment and put in place its first non-sectoral adjustment loan to Madagascar. IMF has provided assistance under its Extended Structural Adjustment Facility. On the other hand, assistance for capital investment projects declined

from 56 per cent of the total in 1986 to 37 per cent in 1988. Notably, contributions in the form of gifts have become twice as great as contributions in the form of loans. The proportion of total assistance provided in the form of technical assistance has remained stable, at 25 per cent of the total. Bilateral donors, with France leading, account for 71 per cent of technical assistance to Madagascar, while, among the multilateral donors of technical assistance to Madagascar, the World Bank leads and is followed by UNDP.

67. Aid co-ordination is effected under the auspices of the World Bank by way of a consultative group meeting of donors to Madagascar that takes place every two years. At the meeting held in Paris in January 1988, commitments were made for assistance amounting to $700 million per year over three years. At that meeting, it was decided to undertake action to ameliorate the social impact of the adjustment measures being implemented. The next meeting of the Consultative Group for Madagascar is scheduled to take place during the third quarter of 1990.

68. The Government of Madagascar and UNDP have been in consultation regarding the launching of a NaTCAP exercise. This process would systematically review technical co-operation that Madagascar receives from all sources, particularly with regard to the effectiveness of that assistance and the programming of priority needs as part of the national planning process. A master plan for the process has been prepared and is under consideration.

III. MIDDLE EAST

A. Democratic Yemen

1. Background

69. Following unprecedented heavy rains and flooding in Yemen in 1982, the General Assembly adopted resolution 37/150 of 17 December 1982, in which it appealed for international support for the country's programme of rehabilitation and reconstruction. In its resolution 43/211, the Assembly noted the efforts made by the Government of Democratic Yemen in response to the devastating consequences of the floods.

2. Political changes

70. On the political level, on 22 May 1990, the People's Democratic Republic of Yemen and the Yemen Arab Republic unified to become a single State called the Republic of Yemen. Although unification will bring a different political and economic structure, the damage to the southern region of the country, resulting from the flooding in March 1989, must still be addressed. Further, there also remains in Yemen a concomitant need to build up national capacity to manage disaster recovery programmes in the country as a whole.

3. The economy

71. In the period under review, measures were introduced to loosen central control on the economy. Under one such measure, producers of agricultural and marine products were permitted to market their produce directly rather than through government marketing corporations.

72. In development planning, a major shift in resources to the minerals sector was made, as increased priority was given to oil exploration and pipeline construction. Outlays on the oil sector increased from 39 per cent of development expenditures in 1988 to 43 per cent in 1989. Total development expenditures increased from YD 165.4 million in 1988 to YD 187.0 million in 1989; the share of foreign financing was 63.4 per cent in 1988, increasing to 66.4 per cent in 1989.

73. The deficit on the balance of payments rose in 1989 compared with 1988; both exports and imports were reduced in 1989 from the previous year's level, while a downward trend in net private transfers, largely from expatriate workers, continued.

4. Reconstruction and rehabilitation programme

74. Rehabilitation projects and programmes following the 1982 floods were fully implemented, with extensive bilateral and multilateral assistance, as detailed in previous reports of the Secretary-General. In March 1989, disastrous floods again caused widespread damage. The Office of the United Nations Disaster Relief Co-ordinator (UNDRO) and UNDP co-ordinated in providing immediate relief assistance amounting to $3.6 million. The Government and the World Bank are co-operating in a $15.4 million reconstruction programme, to which UNDP is contibuting technical assistance in the value of $1 million. The UNDP project, now operational, will assist the Government in restoring vital physical infrastructure and ensure resumption of school classes for displaced children. It will also strengthen Government capacity to manage disaster recovery programmes through establishment of an Emergency Reconstruction Unit within the Ministry of Planning.

B. Djibouti

1. Background

75. In response to General Assembly resolution 32/93 of 13 December 1977, a special programme of economic assistance to Djibouti was instituted in 1978 to help the country cope with serious economic and social problems that had been compounded by severe drought. In its resolution 43/211, the Assembly noted the effects of recurrent drought and the presence of large numbers of refugees and displaced persons on the already precarious development of Djibouti.

2. Climatic conditions

76. After several years of drought that had seriously affected the lives of the rural population, Djibouti experienced severe floods in 1989 that left thousands without shelter and caused damage to road an sanitary infrastructures.

3. The economy

77. After a period of economic expansion, resulting principally from public investments, the economic situation of Djibouti began to deteriorate beginning in 1985, owing in part to a reduction in demand for its services both from neighbouring countries and the expatriate community. Both trade and transit services declined. The Government is seeking to promote trade with other east African countries through regional economic groupings. Of an active population of 200,000, 10 per cent is employed in the public and parastatal sectors. The informal sector is limited to trade, given the lack of trained manpower and the virtual absence of manufacturing industries.

78. The budget deficit was substantially reduced between 1986 and 1989 as a result of government efforts to limit expenditures and increase revenues. Budget balance has been reached principally through external financial assistance. In view of the need for budgetary austerity, the private sector, especially in trade and industry, will be important as a driving force in the future economic growth of Djibouti.

79. In its external trade, Djibouti is structurally in a deficit situation, with domestic production supplying very little of the country's needs and both consumer goods and capital equipment being imported. The total of external debt, taking account of debt cancellations, stands at about $140 million, about one half of which derives from indebtedness to multilateral institutions and one half from indebtedness to bilateral donors. Debt servicing rose to $14.1 million in 1989, representing about 6 per cent of GNP.

4. Social situation

80. Malnutrition continues to afflict many, attended by serious diseases. The Government is directing efforts by way of preventive measures, especially vaccination campaigns. Much remains to be done to increase educational facilities and raise educational levels. Of an active population of 200,000, 10 per cent is employed in the public and parastatal sectors.

5. Geothermal energy

81. The first phase of geothermal exploration was concluded in 1988. Two wells were established as being productive. However, further technical and economic studies were deemed necessary before an investment programme for exploitation was initiated. An investment programme has been drawn up by the Government, in

consultation with the World Bank and other donors. UNDP continues to assist the Government in the exploration of the central part of the Assal rift and of North Goubbet.

6. Refugees

82. The thousands of refugees that had poured into Djibouti in the late 1970s were largely repatriated in recent years under a programme organized by UNHCR. However, a new influx of about 50,000 refugees is reported, adding to the pressures on Djibouti's health and educational facilities, already in a fragile state. The Government has appealed to WFP, UNHCR, UNICEF and a number of non-governmental organizations for emergency assistance to meet the needs of its suddenly enlarged population.

7. Development planning

83. A $470 million public investment programme was planned for the period 1983-1989. About one half of the programme has been completed, about one third is currently being implemented, while the remainder awaits complementary financing. External resources, in the form of gifts and loans, account for 84 per cent of the programme's financing, State financing for 16 per cent. The parts of the programme implemented have been primarily in the areas of public works, urban development and housing, followed by industry and telecommunications. Among the projects being implemented, industrial development has attracted the largest volume of external funds, followed by agriculture. Among the projects still to be initiated, port and maritime development is considered the most important, followed by airport management. The launching of a number of projects has been delayed owing in fact to a lack of funds to meet recurrent costs and in part to a lack of national capacity in project management.

8. External assistance and aid co-ordination

84. External assistance to Djibouti in 1988 reached $102 million, of which $78 million was provided by bilateral donors and $24 million by multilateral institutions. The volume of technical assistance has increased in relation to capital assistance, reflecting increasing support of the national capacity in development management. Among the sectors, education led in its share of total assistance, followed by transport and communications, housing, agriculture, water and natural resources. Support to the social sectors was mostly in the form of grants, while support to the productive sectors was mostly in the form of soft loans.

85. With a view to strengthening the co-ordination of public investments, the Government has set up interministerial committees, under the authority of the Prime Minister, which will study all aspects of projects in all sectors. At the sectoral level, the Government has requested UNDP to implement a master plan for utilization of water resources to promote the co-ordination of all activities in this crucial

sector. With regard to the energy sector, a donors round table is under consideration, while the Government has decided for the present to concentrate on the development of geothermal resources. Furthermore, the Government has decided to establish, with the assistance of UNDP, a development plan that will serve as a framework for development operations, while at the same time facilitating the co-ordination of sectoral activities and strengthening the management capacity of the various State authorities.

IV. THE PACIFIC

Vanuatu

1. Background

86. A special programme of economic assistance to Vanuatu, an island developing country, was instituted in response to General Assembly resolution 38/218 of 20 December 1983. In its resolution 43/211, the Assembly noted that Vanuatu continued to experience severe constraints in its economic and social development as a consequence, inter alia, of declining export prices, deterioration in its terms of trade and a high population growth rate coupled with a shortage of skilled manpower.

2. Natural disasters

87. In January 1988, cyclone Anne, more intense that the cyclone Uma that had struck in February 1987, destroyed most of the buildings in the small northern islands. In February 1988, cyclone Bola damaged the central islands. In April 1989, cyclone Devi passed through Vanuatu bringing heavy rains, which intensified the problems caused by Anne and Bola. Following cyclone Anne and again following cyclone Bola, UNDP provided $50,000 in emergency relief assistance. UNDP has also initiated a $300,000 reconstruction project covering longer-term rehabilitation.

3. The economy

External balance

88. Exports of copra, the production of which is the main activity of Vanuatu's farmers, has been declining in recent years: from 42,300 tons in 1986 to 23,620 tons in 1989. However, increases in the export of meat and hides, trochus shells and some cocoa, have offset the decline in copra receipts. In total, exports of Vanuatu products have increased from 1,502 million vatu (VT) in 1987 to VT 1,558 million in 1988 and to VT 1,812 million in 1989.

89. Vanuatu's tourist industry provides a significant contribution to foreign exchange earnings, as well as providing employment opportunities. The total number of cruise ship passengers visiting Vanuatu in 1986 was 56,000. In 1987, the number

declined to 49,381. The 1988 figure was 50,932, but for the first half of 1989 the number of visiting passengers recorded was 19,854. The most significant development in the tourist industry has been the acquisition by the national airline of its first aircraft, a Boeing 727 funded by Australia, which came into service in the second half of 1988. It contributed to a boost in the hotel occupancy rate to 60 per cent in the third quarter and 69 per cent in the fourth quarter of 1989, compared with 40 per cent and 39 per cent, respectively, in 1988.

90. Total imports cleared for home consumption have increased from VT 5,904 million in 1986 to VT 7,450 million in 1987, reflecting increased imports of materials, fuel and machinery needed for post-cyclone reconstruction, a situation that continued into 1988 with the year's imports totalling VT 7,066 million. Imports during the first half of 1989 were at about the same level as the first half of 1988.

Internal balance

91. The Government's recurrent budgets are generally balanced. Almost all public sector capital and development project expenditure is funded by donors or lenders. Total recurrent revenues amounted to VT 3,881 million in 1987, VT 4,059 million in 1988, and an estimated VT 4,188 million in 1989. Revenues of VT 4,316 million are targeted for 1990. These figures reflect a decline in real terms, and have been accompanied by significant retrenchment of public sector employees. Over 70 per cent of government revenues are derived from duty and service charges levied on the c.i.f. value of imports. Goods for development and cyclone relief and rehabilitation are imported duty free; however, tariffs on many items, including basic foodstuffs, have been increased.

92. The rate of increase in the low-income consumer price index slowed down considerably after 1987. The year-on-year increases were: 1987, 16.6 per cent; 1988, 7.6 per cent; and 1989, 7.4 per cent.

4. Reconstruction and rehabilitation

93. Following the devastation caused by cyclone Uma in February 1987, Vanuatu received approximately VT 820 million from the international community for reconstruction and rehabilitation. The work of reconstruction has been substantially completed; those projects which are still under way are expected to be completed by the end of 1990. Some parts of the reconstruction programme that were not initially funded were subsequently included in other programmes that are now under way or about to begin. The only two major projects remaining totally unfunded are the proposed new State House for the President and the proposed new Rural Rehabilitation Fund.

94. The total of funds required for rehabilitation and reconstruction, following cyclones Anne and Bola, was VT 142 million. A total of VT 26 million was received as relief aid and some of the major projects are being included in ongoing programmes of traditional donors. Although rehabilitation is proceeding, rural infrastructure will not be restored to pre-Uma levels for some years. The

principal shortfall in funding is in the areas of rebuilding of rural roads and health facilities. Funds for rehabilitation and reconstruction generally came from traditional donors to Vanuatu, although small cash grants were provided by other developing countries.

95. In July 1988, the Government of Vanuatu, with the financial and technical assistance of UNDP, held follow-up reconstruction meetings with donors at Vila to discuss progress in funding and implementation of all Uma, Anne and Bola cyclone programmes.

5. Round tables

96. A round-table meeting of donors to Vanuatu, held at Geneva in October 1988, provided an opportunity for dialogue between the Government and potential donors concerning the current economic situation of the country in order to secure and integrate various sources of additional assistance into the overall plan for the country. Two new donors indicated their intentions of support by offering new aid funds. One traditional donor offered additional technical assistance as a result of the meeting, some of which has already been provided. Vanuatu has proposed a follow-up meeting to be held at Vanuatu in late 1990.

V. LATIN AMERICA

Ecuador

1. Background

97. At its first regular session of 1987, the Economic and Social Council adopted resolution 1987/17, on 26 May 1987, in which the Council called for the full participation of the international community in the reconstruction and rehabilitation of the areas of Ecuador affected by the devastating earthquakes of March 1987. In its resolution 43/211 of 20 December 1988, the General Assembly drew attention to the economic recession in Ecuador and the effects of the international economic crisis, which has seriously impeded the economic and social development process in Ecuador.

2. The economy

98. Owing largely to the economic policies put in place in the third quarter of 1988, many aspects of the economy of Ecuador showed improvement in 1989. The rate of inflation that was running at an annual rate of 85.7 per cent in December 1988 slowed down to an annual rate of 54.2 per cent in December 1989. The reduction in the inflation rate was due in part to an increase in the supply of goods of mass consumption, both agricultural produce and manufactured goods, and in part to a tight fiscal policy that brought about reductions in the deficits recorded in the budget and by parastatals. The budget deficit, which had represented 2.7 per cent of GDP in 1988 represented 1.0 per cent of GDP in 1989, owing to the increased

revenues associated with a rise in the prices of crude petroleum and petroleum production and other fiscal measures. The financial situation of public enterprises was improved by increases in the prices of their services.

99. The social aspects of development have received attention. In particular, the Government has concentrated efforts to create employment opportunities, promote rural development and agrarian reform, teach reading and writing skills to the illiterate address malnutrition in infants, promote family health and preventative medicine and improve sanitary conditions.

100. The 1989 recovery from the negative performances of preceding years was reflected in an increase in GDP of 0.5 per cent, mainly as a result of the positive performance in the productive sectors that expanded in response to strengthened domestic demand, despite a substantial decline in the petroleum sector. Thus, the strategies adopted to deal with the economic crisis have, to a good extent, achieved the objectives set for this stage. However, many problems remain to be overcome, of which the following are of particular concern to the Government of Ecuador:

(a) Although the rate of inflation has decelarated, it continues at high levels. The Government deems it necessary therefore to continue with gradual adjustments;

(b) Although the rate of inflation has slowed down, increases in wages and salaries failed to keep up with inflation, resulting in a loss of real income of over 14 per cent in 1989. This situation is expected to continue in 1990, affecting wage and salary earners and other sectors of the population;

(c) Inequalities in the distribution of the national income are still very pronounced, and unemployment, both open and concealed, is high;

(d) The overall productivity of the economy is not sufficient to permit domestic production to compete successfully in international markets;

(e) Domestic production is insufficient to meet domestic demand, especially in some products of mass consumption;

(f) Regional economic disparities continue, with economic growth concentrated on the country's two largest cities, Quito and Guayaquil;

(g) The needs of the social sectors have increased, those sectors having suffered from the impact of economic crisis and the traditional programmes of adjustment implemented in earlier years, as well as the continued weak growth of the economy;

(h) The external debt continues to constitute the principal constriction on the growth of the economy, by limiting the availability of foreign exchange to strengthen productive processes.

101. In the context of the medium-term plan, the Government will seek to resolve these problems, which it will make the main objective of its social and economic policies for 1990.

3. External assistance and aid co-ordination

102. The international assistance provided to Ecuador following the 1987 earthquakes is detailed in the report of the Secretary-General (A/43/483, sect. V.A). Aid continues to be provided. Sweden and the Netherlands have contributed funds to an ongoing UNDP project to reconstruct rural housing as well as basic infrastructure in the rural areas. The project is also assisting in the promotion of economic activities for the rural population. A third phase of this project will have as objective integrated rural development. This phase, which is currently in preparation, is expected to start before the end of 1990.

103. The National Direction of Civil Defense is the agency charged with rehabilitation following the emergency. Since the Government assumed office in August 1988, a number of steps have been taken to improve the co-ordination of external assistance.

Notes

1/ Report of the United Nations Conference on the Least Developed Countries, Paris, 1-14 September 1981 (United Nations publication, Sales No. E.82.I.8), part one, sect. A.

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Forty-fifth session
Item 58 (a) of the provisional agenda*

GENERAL AND COMPLETE DISARMAMENT: NOTIFICATION OF NUCLEAR TESTS

Note verbale dated 30 May 1990 from the Permanent Mission of France to the United Nations addressed to the Secretary-General

The Permanent Mission of France to the United Nations presents its compliments to the Secretary-General of the United Nations and, in reference to document A/44/438 of 3 August 1989, has the honour to transmit herewith, as a annex, notification by the French authorities of the nuclear tests conducted in 1989.

The Permanent Mission of France would be grateful if the Secretary-General would arrange for this note verbale and the annex hereto to be circulated as an document of the General Assembly under item 58 (a) of the provisional agenda.

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* A/45/150 and Corr.1.

ANNEX

Notification of nuclear tests

During his speech to the third special session of the General Assembly devoted to disarmament, on 2 June 1988 in New York, the French Minister for Foreign Affairs, Mr. Roland Dumas, Minister of State, announced that "France [had] decided to make a yearly statement of the number of tests performed in the preceding 12 months".

The French authorities have the honour to transmit the following information on tests conducted by France at the Pacific testing centre in 1989:

11 May	Mururoa
20 May	Mururoa
3 June	Mururoa
10 June	Fangataufa
24 October	Mururoa
31 October	Mururoa
20 November	Mururoa
27 November	Fangataufa

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GENERAL ASSEMBLY
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Items 23, 35 and 77 of the
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QUESTION OF PALESTINE
THE SITUATION IN THE MIDDLE EAST
REPORT OF THE SPECIAL COMMITTEE TO
INVESTIGATE ISRAELI PRACTICES
AFFECTING THE HUMAN RIGHTS OF
THE PALESTINIAN PEOPLE AND
OTHER ARABS OF THE OCCUPIED
TERRITORIES

SECURITY COUNCIL
Forty-fifth year

Letter dated 26 July 1990 from the Permanent Observer of Palestine to the United Nations addressed to the Secretary-General

I am instructed by the Executive Committee of the Palestine Liberation Organization, which has the powers and responsibilities of the Provisional Government of Palestine, to bring the following to your immediate attention:

During the past four days, Al Shiffa Hospital admitted 15 pregnant Palestinian women, who were all suffering symptoms of early childbirth due to the inhalation of poisonous tear-gas. The names of the women, who eventually lost their babies, are as follows:

1. Mounira Fawzi Al Kafarneh, 18 years old, from Beit Hanoun, was two months' pregnant;

2. Hafsah Abu Halim, 23 years old, of Nussarat refugee camp, was two months' pregnant;

* A/45/150 and Corr.1.

3. Zeinab Omar Mattar, 23 years old, of Deir Al Balah refugee camp, was three months' pregnant;

4. Alia Hammad, 21 years old, from Beit Lahia Village, was two months' pregnant;

5. Sabiha Khalil Tabazeh, 23 years old, of Nussarat refugee camp, was three months' pregnant;

6. Amneh Atta Al Massri, 22 years old, from Beit Hanoun village, was three months' pregnant;

7. Azeh Hamed Al Sharif, 22 years old, of Shati' refugee camp, was two months' pregnant;

8. Mona Moustafa Al Halkout, 18 years old, from Al Sheikh Radwan, was four months' pregnant;

9. Ibtissam Mouhammed Afaneh, 20 years old, of Al Shati' refugee camp, was two months' pregnant;

10. Naimeh Harb Abu Tahoun, 25 years old, of Jabalia refugee camp, was three months' pregnant;

11. Shama' Abed Al Karim Shamali, 20 years old, from Al Shaja', was three months' pregnant;

12. Huda Rajab Al Khadi, 22 years old, from Rafah, was three months' pregnant;

13. Fatima Al Jara, 32 years old, from Abssan Al Kabira, was two months' pregnant;

14. Nehma Abu Eideh, 30 years old, from Khan Yunis, was two months' pregnant;

15. Mona Youssif Wadi, 20 years old, of Khan Yunis refugee camp, was two months' pregnant.

Palestine calls upon the Secretary-General and the Security Council of the United Nations to take all appropriate and necessary measures to bring an end to the violent attacks of the Israeli soldiers against the unarmed Palestinian people, and especially women and children, living in the occupied Palestinian territory and to bring adequate pressure on Israel, the occupying Power, to ensure respect for the Fourth Geneva Convention.

I should be grateful if you would arrange to have the text of this letter circulated as an official document of the General Assembly, under items 23, 35 and 77 of the provisional agenda, and of the Security Council.

(Signed) Zuhdi Labib TERZI
Permanent Observer of Palestine
to the United Nations

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Items 83 and 84 of the
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UNITED NATIONS CONFERENCE ON ENVIRONMENT AND DEVELOPMENT

PROTECTION OF GLOBAL CLIMATE FOR PRESENT AND FUTURE GENERATIONS OF MANKIND

Letter dated 27 June 1990 from the Permanent Representative of Malaysia to the United Nations addressed to the Secretary-General

I have the honour to transmit herewith the text of the Kuala Lumpur Accord on Environment and Development issued by the ASEAN Ministers for Environment at the Fourth ASEAN Meeting of Ministers for Environment at Kuala Lumpur on 19 June 1990 (see annex).

I should be grateful if you could arrange to have the present letter and its annex circulated as a document of the General Assembly under items 83 and 84 of the provisional agenda.

(Signed) RAZALI Ismail
Ambassador
Permanent Representative of Malaysia
to the United Nations

* A/45/150 and Corr.1.

Annex

KUALA LUMPUR ACCORD ON ENVIRONMENT AND DEVELOPMENT ISSUED AT KUALA LUMPUR ON 19 JUNE 1990 BY THE ASEAN MINISTERS FOR THE ENVIRONMENT AT THE FOURTH ASEAN MEETING OF MINISTERS FOR THE ENVIRONMENT

AWARE that the management of the environment and the pursuit of sustainable development are imperative to secure the well-being of the people of ASEAN today and in the future,

FURTHER AWARE that the management of the environment and the pursuit of sustainable development require close co-operation between the member countries of ASEAN in particular and global co-operation in general, and that ASEAN should endeavour to strengthen such co-operation,

CONSCIOUS that the United Nations Conference on Environment and Development, to be held in 1992, provides a forum and an opportunity further to promote such co-operation and for ASEAN to assert its views on environmental management and sustainable development,

RECOGNIZING that the formulation of such views and practices would require preparatory steps and studies, jointly as well as separately,

ALSO RECOGNIZING that, in such formulation, it would be beneficial to take note of: the Manila Declaration of 1981; the Bangkok Declaration of 1984; the Jakarta Resolution of 1987; the Manila Summit Declaration of 1987; and the Langkawi Declaration of 1989,

WE THE ASEAN MINISTERS FOR THE ENVIRONMENT HEREBY AGREE

1. To initiate efforts leading towards concrete steps pertaining to environmental management, including:

(a) The formulation of an ASEAN strategy for sustainable development and a corresponding action programme;

(b) The harmonization of environmental quality standards;

(c) The harmonization of transboundary pollution prevention and abatement practices;

(d) The undertaking of research and development and the promotion of the use of clean technologies.

2. To initiate efforts leading towards concrete steps pertaining to natural resource management, including:

(a) The harmonization of approaches in natural resources assessment;

(b) The development of joint natural resource management programmes;

(c) The development and harmonization of procedures aimed at obtaining a better reflection of the state of natural wealth in the context of the System of National Accounts.

3. To initiate efforts enabling the inclusion of environmental factors into economic calculations and thus providing a better base for international economic co-operation.

4. To develop and formulate a common ASEAN position to be presented to the Ministerial Level Conference on the Environment for Asia and the Pacific and later to the United Nations Conference on Environment and Development in 1992, including:

(a) Affirming ASEAN's commitment to the pursuit of sustainable development;

(b) Stressing the need to strengthen regional and international co-operation and proposing the principles upon which such co-operation should be based;

(c) Emphasizing the importance of a global environmental agenda which reflects the priorities and concerns of all countries;

(d) Calling attention to the patterns of international relations that inhibit the implementation of national environmental efforts in developing countries and their participation in global environmental efforts;

(e) Reiterating the urgency for a supportive and predictable international economic environment which promotes economic growth and development of all countries;

(f) Stressing the need for equitable sharing of responsibilities and allocation of liabilities in global environmental efforts;

(g) Stressing that, although global environmental efforts will benefit the common good, such benefits should be shared equitably, including the benefits of research and development;

(h) Underlining the need for substantial additional resources to assist developing countries to pursue their goals of sustainable development, as well as access to, and transfer of, environmentally sound technologies at affordable costs and the establishment of appropriate funding mechanisms.

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GENERAL ASSEMBLY
Forty-fifth session
Item 32 of the provisional agenda*
THE SITUATION IN KAMPUCHEA

SECURITY COUNCIL
Forty-fifth year

Letter dated 30 July 1990 from the Permanent Representative of Cambodia to the United Nations addressed to the Secretary-General

I have the honour to enclose herewith, for your information, the Declaration, dated 19 July 1990, by His Royal Highness Samdech Norodom Sihanouk, President of Cambodia and President of the Cambodian National Resistance (see annex).

I should be very grateful if you could have the present letter and its annex circulated as an official document of the General Assembly, under item 32 of the provisional agenda, and of the Security Council.

(Signed) THIOUNN Prasith
Permanent Representative

* A/45/150 and Corr.1.

ANNEX

Declaration of 19 July 1990 by the President of Cambodia and President of the Cambodian National Resistance

The decision of the United States of America and of the European Community to abandon the Cambodian National Resistance and to expel the National Government of Cambodia from the United Nations is an act of very grave injustice, for it constitutes a formidable reward given to the Phnom Penh régime, creation and creature of a foreign Power and traitor to its own fatherland, and a formidable reward given to the Socialist Republic of Viet Nam which, at present, is maintaining yet in Cambodia more than 40,000 élite forces charged with fighting fiercely against the patriotic and resistant Cambodian people, and which is colonizing and annexing an important part of Cambodia with more than 1 million Vietnamese settlers and an arch-criminal modification of the Cambodian land and maritime borders to the benefit of Viet Nam.

On behalf of the patriotic and resistant Cambodian people, I appeal respectfully and fervently to all peoples and Governments the world over committed to justice, peace and freedom, to be so kind as to prevent the National Government of Cambodia, ex-Coalition Government of Democratic Kampuchea (ex-CGDK) from being so unjustly deprived of its seat at the United Nations. To declare the seat of Cambodia vacant would be tantamount to giving unjustly a reward to those who sell their country to a foreign Power and serve only the interests of foreign imperialism, colonialism, neo-colonialism and expansionism and a Nobel prize to the Socialist Republic of Viet Nam, which has been invading Cambodia, continuing to occupy her at present and striving for a Vietnamization and a partition of the Khmer country. The expulsion of the National Government of Cambodia from the United Nations and the de facto recognition of the Vietnamese fait accompli in Cambodia will only result in making the Cambodian National Resistance and the Khmer patriotic people more firmly and fiercely determined to continue further to impel and intensify their just and sacred struggle for the total liberation of Cambodia. The National Government of Cambodia and the Cambodian National Resistance will never accept a pax Vietnamica nor a so-called peace solution dictated by foreign Powers which are working for a de facto partition of Cambodia and prevent the latter from regaining her 100 per cent independence and her territorial integrity within her land and maritime borders internationally recognized up to the eve of the putsch of the junta of Khmer General Lon Nol on 18 March 1970.